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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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WAGES FIXED ON ARTIFICIAL BASIS UNSOUND POLICY

Adjustment Must be Reached by Entirely Natural Means

BUSINESS SITUATION

Conditions in Steel Industry Attract Attention—Thorough Readjustment of Prices Necessary to Activity

The two-sided problem of employment and wages continues as a very important factor in relation to industrial readjustment. During the week the demand in Toronto for a minimum wage of 60 cents an hour on civic contracts and the repeated charge at London that manufacturers have created unemployment in order to force down wages have been incidents of significance.

As with the relations between buyers and sellers of manufactured goods, so in a large degree is it with workers and employment. In many cases factories are idle not because manufacturers are trying to force down wages but because they cannot hold them up. It requires only cursory examination to reveal that the manufacturers are the heavy losers under the circumstances. The point which must be considered is the necessity for reaching a basis between the worker and the manufacturer at which the worker can market his services and the manufacturer can buy them, and each reap a benefit. The natural effect of increasing wages during the war period was seen in higher priced goods and curtailed demand followed by unemployment.

Nor does the solution lie in the direction of a civic wage standard such as discussed in Toronto. Not only is it a very unsound policy to spend money recklessly merely because it belongs to the people but to establish an unhealthy wage for the few employees on civic undertakings would tend to increase the influx of unemployed without doing anything to create additional industrial activities and the result would be an aggravated situation so far as the shortage of work is concerned. It is more important to increase the number of jobs under such circumstances than it is to make an issue of the question of a few cents an hour.

Because of the general experience that a revival in activity follows the steel industry, any readjustment in prices which will bring producer and consumer more closely together, the steel industry continues to attract attention. There is considerable difference of opinion as to whether the maintenance of prices in this industry has been a steadying factor by extending the period of readjustment or whether a more drastic policy would have been best in the interests of general business. B. C. Forbes, reviewing the situation, comes to the conclusion that a thorough readjustment of steel prices and steel wages is a desirable and necessary prelude to the resumption of healthy activity in the industry. Mr. Forbes believes that the corporation will be forced into line before long and that there, as in other industries, the readjustment is highly desirable.

On the other hand, however, there are those who believe that the situation in steel is different to that in other manufacturing fields. They point out that as the Steel Corporation controlled prices on the way up it is healthy for it to do so on the way down, thus preventing violent fluctuations in this great industry; they argue that a gradual readjustment is in the best interests of all concerned and submit that there will be a better opportunity to make necessary changes in steel after more of the other industries, not so well controlled or governed, have been brought to a better basis.

Bank Clearings Decline

Significant of trade conditions during the month of February is the statement of bank clearings, which shows that clearings for the month were down by 8.6 per cent. from the

Continued on page 9.

THE PRESS AND THE RADIAL INQUIRY

The attitude of the Hydro press in Toronto in presenting in the reports of the proceedings of the radial railway inquiry before the Sutherland Commission only such interpretations of the evidence as favors the Beck program has again drawn comment from members of the Commission and counsel.

An editorial in the "Globe" concluding: "That sort of thing may go in Montreal. It won't go in Toronto," has been declared by R. S. Robertson, for the unorganized municipalities, as "gross misrepresentation," on which Chairman Sutherland observed: "We can't pay any attention to it."

"One looks in the morning papers and others for what didn't happen," added I. F. Hellmuth, who represents the public interest.

Objection has also been recorded by Commissioner W. A. Amos to the attitude of the press in blaming the Government for the delays in the proceedings of the inquiry. This occurred when Robert McKay, representing the Hydro, asked for another adjournment of two weeks.

BIG INDUSTRIAL IDEA OUTLINED FOR MONTREAL

To Create Manufacturing Centre and Develop 1,000,000 H.P.

A project for a great manufacturing site at Montreal with 1,000,000 horsepower development and channel for ocean-going vessels is put forward by T. Kennard Thomson, the eminent consulting engineer of New York, who has submitted plans for an extensive international development of the power resources of Niagara. The water level of Montreal is now about 24 feet above the sea-level, and ocean-going steamers reach Montreal without using any locks. Lake St. Louis is about elevation 76. The project is to build a dam in the Lachine rapids at Isle Heron, holding the water to the Lake St. Louis level. By putting locks on the north side of the river, ocean vessels will then be able to reach Lake St. Louis. But in order to reach the locks, it will be necessary to dredge a channel as wide as the St. Lawrence River at Montreal up to this dam. Further Mr. Thomson says:

> By doing this, we could reclaim ten square miles from the bay or wide part of the river between Montreal and Lachine. This bay or widened river has been responsible in the past for the accumulation of frazil and other ice and frequent floods in the lower part of Montreal. The land thus reclaimed would afford Montreal a badly needed manufacturing site and would be connected with the city by ample tunnels. This project, the late Sir William Van Horne stated shortly before he died, would make Montreal one of the greatest ports in the world. Especially as the dam would enable the development of one million horsepower a year, or the equivalent of ten million tons of coal a year.
>
> This project should be of vital interest to the City of Toronto, or as a matter of fact the whole of Canada. First, because it would insure the early canalization of the St. Lawrence River, permitting vessels of 30-foot draft to reach the Great Lakes. It would also be of vital importance to the whole province, as it would also enormously decrease the cost of many manufactured articles, just as the five pioneer companies at Niagara Falls practically made aluminum and other articles accessible to the great mass of people by enormously decreasing the cost of manufacturing them.

SEEK TO INCORPORATE NORTH AMERICA TRUST

G. H. Wood and J. H. Gundy Forming New Financial Institution

The North America Trust Company of Canada is the name of a new financial institution, incorporation for which is being sought at Ottawa. A private bill has been introduced into the House for the new company.

The capital stock is given as $1,000,000, which may be increased to $3,000,000. The incorporators are G. H. Wood and J. H. Gundy, partners in the investment house of Wood, Gundy and Co., Toronto.

G. H. Wood became widely known for his work in connection with the various Victory Loan campaigns. J. H. Gundy was Canada's representative at the Brussels financial conference.

CANADA LOOKS TO UNITED STATES TO GAUGE FUTURE

Wide Interest in the Tariff Policies of President Harding

NEW YORK'S ATTITUDE

Is Being as Closely Watched as Developments at Washington Because of Fincial Relations

Canada's immediate interest, so far as can be foreseen thus early, in the new administration of the United States under President Harding lies in the extent to which our business world is likely to be affected when the Republican tariff policy comes into definite effect. The closing days of the Woodrow Wilson regime were fraught with anxiety for our Dominion but President Wilson's veto of the Fordney emergency tariff bill swept away for the time being fears of tariff walls being erected against Canadian wheat and other primary products. Whatever else President Wilson may have done to upset accepted theories, the final act of his presidential career was favorable to a continuance of long years of friendly commercial relations between the two countries.

The announcement, however, by President Harding in his inaugural address that a high tariff policy must be maintained is of outstanding interest in this country. "Agricultural rates will unquestionably appear in some form in the new general tariff which President Harding and all his followers promise," says the New York Journal of Commerce. "That these rates will present the extremes and absurdities which are offered by the bill that has now been vetoed is to be doubted. The tariff makers, no matter how strongly they may hold to the abstract idea of protection, must consider the situation in the light of existing conditions. Changes in prices, heavy international indebtedness and many other factors create a situation which calls for unusual treatment."

Eyes on Washington

The wheat growers of our prairie provinces and other primary producers in Canada will continue therefore to show a lively interest in what goes on in Washington when the new administration starts tariff tinkering. President Wilson adopted the attitude that America as an exporter of agricultural products, and hence dependent upon world prices for its products, could not help itself through tariffs. Subordinate to this central theme but occupying none the less a conspicuous place was the doctrine that Europe, now heavily indebted to the United States, could not be expected to settle unless the United States was willing to buy from her.

This argument applies with full force as far as Canada is concerned. If we are to hope to correct the trade balance against us in the United States we must reduce our buying there or we must be permitted to sell our goods there unrestricted and unhampered by new duties.

Our imports from the United States have been gradually growing less for some time as the following figures illustrate:

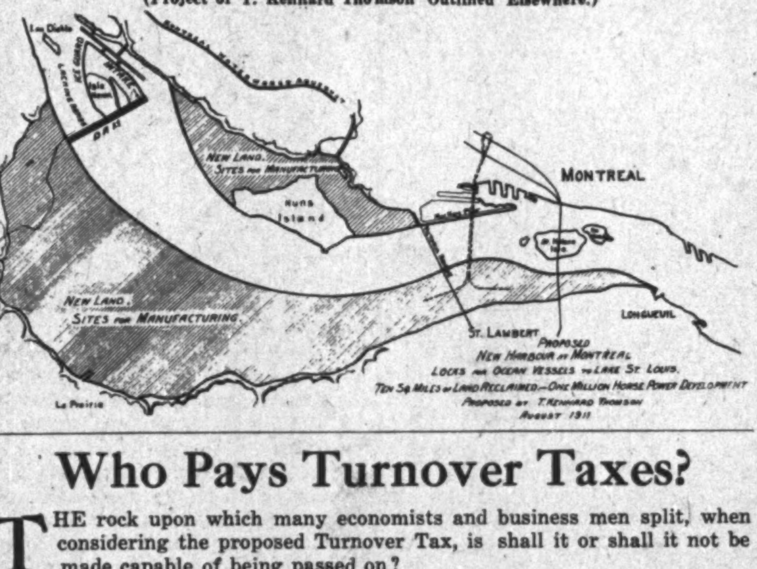
Fiscal year 1920-21.	Trade with the U.S. Our imports.	Our exports.	Adverse Balance.
April	$ 62,900,000	$ 27,900,000	$ 35,000,000
May	70,200,000	44,700,000	25,500,000
June	88,200,000	47,500,000	40,700,000
1st qtr.	$221,300,000	$120,100,000	$101,200,000
July	87,000,000	46,900,000	40,100,000
Aug.	85,800,000	47,600,000	38,200,000
Sept.	81,100,000	49,900,000	31,200,000
2nd qtr.	$253,900,000	$144,400,000	$109,500,000
Oct.	76,900,000	66,400,000	10,500,000
Nov.	74,400,000	64,900,000	9,500,000
Dec.	65,000,000	61,700,000	3,300,000
3rd qtr.	$216,300,000	$193,000,000	$ 23,300,000

Canadian business men actually look more to New York than to Washington for the reflex of American financial and commercial sentiment toward Canada. Conditions may be altered if Canada sends an ambassador to the capital; then Washington will be a more immediate link between this country and the re-

Continued on page 8.

TO DEVELOP 1,000,000 H.P. ON ST. LAWRENCE.

(Project of T. Kennard Thomson Outlined Elsewhere.)


Lac Diable
Isle Heron
DAM
NEW LAND. SITES FOR MANUFACTURING
Nuns Island
MONTREAL
NEW LAND. SITES FOR MANUFACTURING
LONGUEUIL
ST. LAMBERT
La Prairie
PROPOSED NEW HARBOUR AT MONTREAL
LOCKS FOR OCEAN VESSELS TO LAKE ST. LOUIS.
TEN SQ. MILES OF LAND RECLAIMED.—ONE MILLION HORSE POWER DEVELOPMENT
PROPOSED BY T. KENNARD THOMSON
AUGUST 1911

Who Pays Turnover Taxes?

THE rock upon which many economists and business men split, when considering the proposed Turnover Tax, is shall it or shall it not be made capable of being passed on?

Beyond a doubt a tax that can be passed on must bear ultimately upon the final consumer, a result which the opponents of this tax declare is an unduly heavy burden upon the wage-earner and the small salaried individual. Out of the lesser income, they point out, must be paid the same amount, in dollars per unit, as out of the larger.

Those who support this contention point to the "Income Tax," under which rich and poor alike pay, "according to his ability," and which they claim is, with certain amendments dictated by past experience, the nearest possible approach to modern perfection as an equitable and efficient revenue producer.

William C. Cornwell is sponsor for the statement that a one per cent. turnover tax would add: "An average for all commodities of not over 2 1-2 per cent." Seizing upon this estimate, the advocates of the Income Tax system, point out that a salary of $3,000 would be called upon to pay $75.00 per year under such a turnover tax, as opposed to $40 per year on Income Tax.

Theory of Price Reduction

This argument is to state but half the truth. Mr. Cornwell's deductions, while admitting the 2 1-2 per cent. incidence, arrive at an entirely contrary conclusion. He claims, and with sound reason, that the abolition of the Business Profits Tax will effect a large saving in the price of commodities. The strangling of business will cease—quantity production will resume—and the elimination of tax uncertainty will result in competitive conditions restoring the balance and the scale of prices. He estimates this reduction at 23 per cent.

Applying these two viewpoints to the above income, very startling figures are produced. A 23 per cent. reduction in commodity prices would have the effect of adding approximately $900 in purchasing power to a $3,000 salary, while the 2 1-2 per cent. average impost of a Turnover Tax would only reduce this by $97.50, leaving a net of $802 with which to pay the present Income Tax of $80.

While 23 per cent. reduction is probably an excessive estimate, it is confidently felt that the elimination of the Business Profits Tax would show a marked reduction in many commodity prices. Obviously should such reduction amount to but one-half the above figure or only 5 per cent. the small salaried man would still be 100 per cent. to the good.

The condition of industry and commerce in Canada to-day and the vital necessity to maintain government revenues sound in application and adequate in volume demands that all hypocrisy and political sentiment be subordinated to the general welfare. There is no sound reason why the laboring, farming or small salaried classes, who proportionately enjoy the protection and advantages of established government, should not, in equal proportion, share the burden.

Fallacy of Pyramided Tax

At first glance a casual observation of the Turnover Tax inclines to the opinion that 1 per cent. added to the price of an article with each movement from raw material stage, through manufacturer, jobber and retailer would accumulate a heavy aggregate tax. That this is not the case is evident from a series of analyses prepared by various investigators in Canada and United States and figured in detail for several specific commodities. Jules S. Bache states: "Without fear of contradiction" that:—

> "Those of us who have given our time and thought to the working out of this tax, have as yet been unable to find an article on which the tax would aggregate, in its movement from raw material stage to ultimate consumer, a greater amount than 3 1-4 per cent."

Applied to a loaf of bread, it is shown that less than one sixth of a cent. is added to the ultimate cost, figuring that a total of three sales or turnovers have occurred from wheat to consumer. Yet a 1 per cent. tax collected on the combined turnover of the flour and grist mills, and baking industries would have produced nearly $3,000,000 of revenue.

Similarly a 1 per cent. tax applied through the stages of the packing industry on the ultimate cost of beef retailing at 40 cents per pound adds only 1 cent per pound or 2½ per cent., while the 1918 turnover of the packing industry exclusive of retail or wholesale turnover would have produced $2,292,000.

Taking a more complicated example, and placing costs high and allowing a wide spread of profit in handling, the result on an average pair of boots follows. The figures used for the cost of manufacturer's materials were compiled by S. Roy Weaver on a basis of 1919 costs.

		Taxes Collected
All materials of manufacture	$ 7.265	
Add 1 per cent. tax collected on sale of above materials	.726	= 7.26 cts.
	7.891	
Add shoe mfrs. profits, wages and overhead	3.735	
Selling price to jobber	11.626	
Add 1 per cent. tax collected from jobber	.116	= 11.6 cts.
Total cost to jobber	11.742	
Add 15 per cent. for jobber's profits	1.761	
Selling price to retailer	13.503	
Add 1 per cent. collected from retailer	.135	= 13.5 cts.
Total cost to retailer	13.638	
Add 25 per cent. for retailer's profits	3.409	
Selling price to consumer	17.047	
Add 1 per cent. tax collected from consumer	.170	= 17.0 cts.
Final cost to consumer and total tax	$17.217	$0.49.36

The gross addition to the cost has, after passing through four sales with a large spread of profits, amounted to less than 50 cents per pair of shoes or 2.87 per cent. increase. At the same percentage of spread in prices and at 1 per cent. tax the total turnover of the products of the boot and shoe factories in Canada would have yielded $1,500,000 in passing from manufacturers' raw material stage to the consumer.

STOCK MOVEMENTS CONTINUE MAINLY NEGATIVE TREND

Canadian Securities Again Subjected to Heavy Selling Pressure

MARKETS DEPRESSED

Little Constructive Force in Sight — 1921 a Year of Moderate Industrial Profits —Conditions Reviewed

The adverse influences which for many years have served to dominate the Canadian stock markets, and to restrain constructive movement on a large scale, still continue with unabated vigor. With but few exceptions Canadian stocks continued to pursue a downward course throughout the week, and closed mainly at lower levels. Heavy selling pressure was still in evidence, and liquidation of a fairly generous character followed. The weakness was fairly general throughout the market list. The papers, while not so prominent in this negative movement as in previous weeks, continue in a depressed condition. The tractions, which have stood up well, are feeling the unfavorable influences of present conditions and have suffered minor losses.

Wall Street continues to exhibit an uncertain trend. The inauguration of the Harding Administration at Washington received but scant notice upon the stock exchanges. The turn of events in Europe and the allied occupation of German cities exerted a more pronounced influence, but the reactionary movements following the announcement of the allied Governments was of comparatively minor proportion. Foreign exchanges, which were depressed earlier in the week, have recovered practically all their losses.

In the face of present conditions there is little on which to base any definite prediction of market conditions in the near future. The conviction is now fairly general that 1921 will be a year of very moderate industrial profits. It will probably take the full twelve-month period to recover from the blow at the close of the year.

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BANK OF MONTREAL
Established over 100 Years.
Capital Paid up - - - - - - - $22,000,000
Rest - - - - - - - $22,000,000
Undivided Profits, $1,251,850
Total Assets - - $560,150,812
BOARD OF DIRECTORS:
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Throughout Canada and Newfoundland.
At London, England, and at Mexico City.
In Paris, Bank of Montreal (France).
In the United States—New York, Chicago, Spokane; San Francisco—British American Bank (owned and controlled by the Bank of Montreal).
West Indies, British Guiana and West Africa—The Colonial Bank (in which an interest is owned by the Bank of Montreal.)

THE MERCHANTS BANK OF CANADA
Head Office: Montreal Established 1864
Paid-up Capital..$10,029,622 Total Deposits (Oct. 30, 1920), over $170,000,000
Reserve Fund ...$ 9,475,585 Total Assets (Oct. 30, 1920), over $209,000,000
President: SIR H. MONTAGU ALLAN, C.V.O.
General Manager: D. C. MACAROW.
Supt. of Branches and Chief Inspector: T. E. MERRETT.
General Supervisor: W. A. MELDRUM.
OPPORTUNITIES ABROAD
The markets of the world are inviting Canadian trade. Opportunities for foreign trade expension were never so favourable, and the Merchants Bank can be of immeasurable value to those seeking business abroad. Our Foreign Department has first-hand information on the market conditions of all importing and exporting nations which is always available.
399 Branches in Canada extending from the Atlantic to the Pacific

Experienced Banking Service
A PERFECT commercial banking service is only evolved by experience. A Bank's value to its customers increases proportionately with the widening of its knowledge.
The Union Bank has been engaged in commercial banking for more than half a century and has attained a clear perception of its duties to the banking public.
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UNION BANK OF CANADA

Efficient Service
THE facilities of this bank are far-reaching in extent and based on great strength and resources.
We are prepared to render efficient, prompt and courteous service in all departments of banking.
86
THE DOMINION BANK

A Life Assurance Innovation
One of the reasons why so many people in years past avoided Life Assurance was the necessity of submitting to individual medical examination. Men and women alike shared in the dislike of the old system.
The Northwestern Life Assurance Company came forward three years ago and instituted Life Assurance Without Medical Examination—a thing unknown before in Canada.
The number of these policies we have issued since that time has proved to us that there was a real need for this remarkable reform.
Now, after three years, other companies are adopting this policy, thus proving the soundness of the Northwestern Life's progressive methods.
Other offices take only $1,000—we take up to $2,500 without medical examination.
The Northwestern is a good company to insure in and a good company to represent.
Head Offices: 166 Donald Street, Winnipeg
Phone A. 5837-8
The NORTHWESTERN LIFE ASSURANCE COMPANY
NORTHWESTERN BUILDING WINNIPEG CANADA
J.F.C. MENLOVE PRES. H.R.S. McCABE MGR. DIR. F.O. MABER SEC-TREAS.
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MANY SAWMILLS ON THE PACIFIC HAVE RESUMED

But in Most Cases Only To Fill Uncompleted Orders

TAKING THEIR LOSS

Prairie Dealers Now Showing a Disposition to Adjust Prices on Basis of Replacement Cost

From Our Own Correspondent.

VICTORIA. — Although conditions in the lumber industry are anything but prosperous, the majority of British Columbia sawmills have either reopened or are contemplating early resumption of operations after a shutdown during the greater part of the midwinter period. Most of the mills, however, have not been induced to reopen on account of improved market, but because they have orders partially filled a month or so ago and which must be completed before a certain date. The mill operators are hoping that by the time these orders are filled, new work will be available. Some of the larger plants, however, with no unfilled orders on hand, are still idle and are not likely to be reopened until general conditions affecting the industry show a more healthy state.

There has been a general reduction of wages in the mills and in the logging camps, but the high cost of operation and transportation still prevents the lumber business from being a profitable pursuit at the present time. Basic prices announced a few days ago are practically one-half of what they were less than a year ago.

Encouraging News

Encouraging news has been received from the prairies, where retail lumber dealers have decided to clean out old stock purchased at high prices as early as possible and accept the loss. The Eastern market also appears to be picking up, although rail trade is still suffering from depression largely as a result of the high freight rates.

There has been very little domestic building, although the popular forecast is that there will be considerable activity in this direction during the approaching spring and summer, resulting in one of the heaviest demands for lumber that has ever been experienced.

The present output of British Columbia mills is about 2,000,000,000 feet annually. It is estimated that this will be doubled within the next five years, and by 1930, it is predicted, the annual production will be 6,000,000 feet.

Export trade in lumber is not active at present, but there appears to be a gradual improvement. Orders have been placed for British Columbia railroad ties for Egypt's state railways, and several large shipments of creosoted ties have been sent to India, as well as to the United Kingdom. Figures showing the province's water-borne trade in lumber during 1920 have just been released, as follows:

	Feet
Australia	32,218,155
New Zealand	4,159,099
South America	5,523,102
China	14,911,232
Japan	5,990,266
United Kingdom and Continent	61,217,805
South Africa	7,330,531
India	5,385,268
United States	4,162,845
Philippine Isltnds	2,996,123
Straits Settlements	234,479
Mexico	1,015,414
Cuba and West Indies	1,479,950
Total feet	146,624,269

A TAX ON TOURISTS

Italy Tries Novel Method to Raise Revenue

In order to procure funds for improving travel conditions in Italy, the Government is requiring guests at hotels and pensions in Italy to pay a tax on the cost of their living accommodations, according to reports from Rome. This was effective January 1, 1921, and varies in accordance with the cost of accommodations—that is, 10 per cent. on bills not exceeding 50 lire; 20 per cent. on sums from 51 to 100 lire; and 20 per cent. on each additional lire or fraction thereof.

This tax is reported to be in addition to any other levied now or in the future, and is being collected by affixing revenue stamps to each bill presented by hotel keepers to their guests.

New York City's building program is nearly 50% behind last year. Plans filed for new building in first two months of 1921 call for construction amounting to $28,409,500, against $52,386,100 last year.

GOVERNMENT OWNERSHIP

How It Works in Connection With British Telephone System.

Manchester has a story about the course of events when a British citizen had his Government install a telephone for him. Two men did the wiring. Two days later two other men connected the wires of the house with the exchange. After three days more a fifth man inspected the progress that had been made, approving everything. The following day a super-inspector appeared and declared the wires had been led into the wrong exchange.

After another decent interval a man brought the instrument, and was followed in the course of several days by a gang of men who connected the instrument.

These proceedings took three weeks. Then an official called to test the instrument and, after admiring the installation, remarked: "You must have possessed some influence to get this done."

At the time of the latest advice from England, the subscriber was still unable to get his first call through to central from his new telephone.

TRADE CONDITIONS IN NEWFOUNDLAND

Bank Manager Reports That Retailers Are Endeavoring to Hold up Prices

When towards the end of the year **THE FINANCIAL POST** sent out a questionnaire to bank managers regarding business conditions and the attitude of the retailer on the question of price reductions, branches of the Canadian banks in Newfoundland were included. From one of these a report has now been received. To the question as to whether the retailer is reducing prices as far as conditions warrant, the answer is made, "No." It is pointed out that stocks in the hands of retailers are still heavy in the majority of instances, and that most of the retailers have heavy liabilities, in which connection the banker adds: "Speaking of the dominion generally, some of the retailers will likely have to assign."

This report indicates that as yet there are no indications of a revival of buying demand on the part of the public. The point is further made that some of the fishermen are holding their products for a return of high prices, and in this connection merchants are suffering to some extent by not being able to make collections. As has been previously reported, the Newfoundland Government was induced to use its influence to endeavor to hold up the fish market, with the result that instead of products being disposed of on a declining scale, the outlook is now that unduly large stocks will have to be sold at the lower levels.

SHIPPERS LOSE BY PILFERING

Adequate Insurance is Imperative to Prevent Heavy Losses

Increasing losses from pilferage continue to engage the attention of shippers in all parts of the world. Advices from London indicate that British steamship companies have recently been giving particular attention to the subject as a result of recent heavy losses.

A committee of leading business men, formed by the London Chamber of Commerce to take such action as may be best suited to deal with the evil, has brought the seriousness of the situation to the attention of the British Home Office. In addition, ways and means of coping with the situation have been discussed with the Chief Commissioner of the Police, and strengthening of the police arrangements on and in the vicinity of the River Thames were recommended.

As an indication of the necessity for remedial action, the following figures, showing the growth of pilferage, as prepared by a British shipowner, will be of interest: "Claims for pilferage, which amounted in 1913 to 1.44 pence per ton of cargo, in June last had risen to 26.91 pence per ton of cargo, an increase of nearly 2,000 per cent." Another shipowner has stated that careful estimates recently taken showed that his company was paying claims for pilferage and non-delivery at the rate of about £250,000 per year.

Similar figures for losses in other ports of the world are given in the press from time to time. Therefore, the necessity for exporters taking every precaution to see that their insurance covers pilferage risks cannot be overestimated.

WORLD'S LARGEST CAFETERIA IN AN INDUSTRIAL PLANT

Has Been Established in Connection With Westinghouse Co.

GOOD INVESTMENT

Ample Provision to Serve 3,000 Workers in 22 Minutes—Time Saving Devices—Operated on No-Profit Basis

The largest cafeteria in the world, established in connection with the Westinghouse Electric & Manufacturing Co., at East Pittsburgh, Pa., was built for two reasons, as a business investment, and to increase the contentment and efficiency of the employees.

An interesting account of this cafeteria, which has a seating capacity of 1,500, and in which ample provision is made to serve 3,000 people in twenty-two minutes is contained in a recent issue of Forbes' Magazine. Located on Braddock avenue, across the street from the main group of Westinghouse buildings, the cafeteria is easy of access to all employees. It is a three-story building of brick and concrete, and decidedly attractive from an architectural standpoint.

The first and second floors are used for cafeteria purposes. A cafeteria for women and one for men are on the first floor. The entire second floor is one cafeteria for men and women. On the third floor is the East Pittsburgh Club, the officers' dining room, the kitchen, an auditorium and lecture room. In the basement is the refrigerating machinery and the laundry.

Three thousand people may enter this building, eat their lunch, and be out again in 22 minutes. One crowd can get out and another get in without any complications whatever. To prevent idling and delay at the service counters there is a continuous belt. The employee picks out his tray and silverware, but instead of pushing or carrying them along a rail, he puts them on the moving belt.

On the second floor the dining room is three hundred feet long. It is equipped with spick-and-span tables, arranged the full length of the building in lines that are geometrically straight. On the third floor the East Pittsburgh Club is equipped with tables with Carrara glass tops. It has a seating capacity of 500. The prices are the same as in the cafeteria, the only difference being the waiter service and the larger number of viands from which to choose.

The Westinghouse kitchen has three sections of combination coal and gas ranges. There is also a double gas broiler for broiling steaks, fish and poultry. A combination cook's table, steam table and warming closet, two large iron-jacketed stock kettles—these and a number of labor-saving devices—complete the equipment. Practically everything, apart from the cooking equipment is motor-driven. There are motor-driven potato-mashers, potato-parers, bread-slicers, coffee-grinders and meat-choppers.

Exclusive Benefit of Employees

Supplies for the kitchen enter through the receiving room, where they are weighed and distributed. The meats are placed on an overhead track which carries them to the meat compartment of the cold storage room, or to the butcher shop, as required.

Not everything in the cafeteria is given over to eating. There is an assembly room on the third floor where entertainments are held and lectures are given on technical or inspirational topics. Many of these are held immediately after the lunch period. The assembly room accommodates a thousand people. It has a large stage, and among its equipment is a motor-driven motion picture machine.

Albert Pick & Co., who equipped the cafeteria, insist there is no cafeteria the world over as scientifically operated as that of the Westinghouse Electric & Manufacturing Company. "The investment of the Westinghouse Company," they say, "does not end with the mere building of the cafeteria. It has to be operated and will be operated at a loss. This is the very best evidence that it will be operated for the exclusive benefit of the employees. The company is right in its idea that it can contribute not only the cafeteria building and its equipment, but also a considerable portion of the operating expense. It cost money to build and equip, and it will cost money to operate, yet this cafeteria will amply repay the Westinghouse company. It is a good dollar-and-cents proposition."

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Res. Liab. of Proprietors....£5,000,000
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MUST RESTORE EUROPE'S CREDIT TO HELP TRADE

Only Method by Which Markets Can Be Re-opened

AS TO BANKRUPTCY?

General Reconstruction Would Involve Enormous Loss of Capital and a Long and Dangerous Recovery

By F. C. GOODENOUGH,
Chairman, Barclay's Bank, London.

It is difficult to see just from which particular direction we may look for that recovery in purchasing power which will enable trade again to circulate freely, and thus diminish the growing menace of unemployment. Unless we can get to the root of the causes which at the present time are shutting down, partially or wholly, the markets which in pre-war times took from us many millions of our output, and again restore them to normal conditions, it would seem that a recovery in the industrial position must be very slow indeed. Until the distressed countries of Europe are started upon a fresh financial basis which is fundamentally sound, their markets will continue to remain wholly or partially closed. With their unsound currencies, they can neither pay nor obtain credit, and the credit schemes which have been proposed are merely palliatives to the present situation. They will act only very slowly, and, so far as we can see, they will not provide a remedy as quickly as the disease of unsound currency will drive those countries into bankruptcy.

I feel that it will fall to this country to take a lead in these matters, because we have the knowledge and experience which is not possessed by any other country, and although giving a lead involves great responsibility, it also brings with it results which will benefit the whole world.

Government Credit

It has been thought by some that any remedial measures had better be left to private enterprise, but that is open to this difficulty, that in many instances the risks involved are neither banking, nor insurance, nor trading risks, but they are political risks over which private enterprise can exercise no sort of control. For this reason credit cannot be forthcoming from private sources to an extent which will be adequate to do what is required; and, although a great volume of credit has already been granted to Europe since the armistice, so little progress has been achieved, that it would seem that organized International action is needed before any satisfactory results can be secured.

At the root of the troubles of the distressed countries is the inability to meet expenditure out of revenue, and the consequent necessity of making up the deficiency by the help of an unsound system of currency which enables paper, without a specific backing or ratio of value, to be created for the purpose of filling up the gap; if this process is to be arrested before bankruptcy supervenes, International assistance is required—at all events for the smaller countries—to enable them to tide over the interval of time until they can reorganize their internal position by the adjustment of revenue and expenditure, and by trade.

Finding a Solution

There seems to be no other way short of a general reconstruction after bankruptcy; this would involve enormous loss of capital, followed by a long, painful and dangerous process of recovery, all of which would add to the difficulties of trade, and increase the present unemployment.

If International securities were created to fill this gap, some form of International control would be necessary in order that sound financial and economic principles might be insisted upon. The carrying out of such a scheme would probably involve some inflation of credit in this and other countries. Such inflation should, however, result in the re-opening of trade and is, therefore, preferable to inflation incurred as a result of trade stagnation and unemployment doles.

SEARS-ROEBUCK SALES

Heavy Declines Are Expected to Continue in 1921.

Monthly sales of Sears, Roebuck & Co. may be expected to continue to show heavy declines from 1920 until along around May or June. It was during those months of last year that the falling off in sales first showed definite signs of abated buying on the part of the public.

For February Sears-Roebuck shows sales decline of $14,198,768, about the same as the drop in January, compared with that month of 1920. Results for the first two months of 1921 show a combined decline of $28,091,978 from business for January and February, 1920.

It may be of some significance to note that this decline compares with a gain of $22,172,478 registered in the first two months of 1920 compared with the same months in 1919. The net result is that sales to the end of February, 1921, were about $6,000,000 below sales for January and February of 1919.

PRICES FOR COAL TO CONTINUE LOW

Industrial Revival Will Not Mean High Fuel Market, Says Expert

During the war the United States Fuel Administration fixed coal prices. The Senate Committee seeks restoration of such control, either as a continuing Government function, or as a measure to be invoked when occasion warrants. The undertaking is useless, save in time of war, in the opinion of H. A. Haring, in the Annalist. Mr. Garfield was able to maintain his prices only because war powers delivered into his hands the mastery of the two factors which make coal prices: he kept the miners at work and he obtained from the railroads a zoning system and a priority for coal car supply. Had he not been able to eliminate mine strikes and railroad failure, his prices would not have held. So long as Government control held these two factors in submission coal could be produced at the Government prices and yield a profit. Had these factors not been controlled, no power short of seizure of the mines would have brought forth from the earth the needed coal at the established prices. No patriotism would have sufficed to conduct a business so bankrupt as the coal industry would have been. For not only are these the factors making price, but they are also, and equally, the factors determining cost of production.

Coal prices will not rise again until one or the other of these factors develops. This assertion is true regardless of general revival of industry or continued depression. Coal prices do not move concurrently with commodity prices.

Industrial revival will come, but coal prices will continue to fall, or at least will not rise, until that revival attains such size that car surpluses are turned into shortages (or are making headway in that direction) or until railroad paralysis comes from some other cause, or until a mine strike of importance breaks out. Industrial revival will of itself increase demand for coal and might be expected to affect prices. This changing demand will be met, as in the past, by increase of mine production, together with reopening of closed mines. Prices will not advance from this cause.

TO INVESTIGATE THE COAL COSTS IN B.C.

Commission Appointed by Government—Big Producers Not Apprehensive

From Our Own Correspondent.

VICTORIA.—The cost of producing and distributing coal in British Columbia will be investigated by a commission appointed by the provincial Government. Alexander Henderson, K.C., of Vancouver, will have charge of the probe and he has been instructed to submit a report on his findings with the least possible delay.

It is provided that the commissioner shall "inquire into the cost of production, the cost to dealers, the cost to consumers, the cost of transportation, the profits made by persons or corporations owning, controlling or operating the mines, the profits made by dealers, etc."

The investigation has been ordered in response to an agitation started in Vancouver and encouraged by one of the newspapers, which has been voicing the contention that the coal operators have been making exorbitant profits at the expense of the public. A delegation presented a petition to Premier Oliver, requesting that the investigation be made.

Thomas Graham, general superintendent of the Canadian Collieries (Dunsmuir), Ltd., and other prominently identified with the industry, have stated recently that the coal companies had nothing to fear from an investigation and they have given figures showing that the coal production business has been anything but a fortune maker during the last few years.

CANADIAN PACIFIC PLANS ACTIVITIES ON VANCOUVER IS.

Believe That Rich Copper Deposits May be Uncovered

SMELTERS INVOLVED

Plans Developed Through the Canadian Consolidated — An Issue With The Government

From Our Own Correspondent.

VICTORIA. — Important development of the mineral resources of Vancouver Island is the expected result of the decision of the Canadian Pacific Railway to make, through its subsidiary company, the Consolidated Mining & Smelting Co., a thorough mineral survey of the Esquimalt & Nanaimo Railway belt.

Engineers will inspect all prospects that have not been already relinquished by the railway company. An area of over 2,000,000 acres will be explored and prospected by geologists. The idea is to obtain as complete information as application of scientific principles and knowledge will permit of the mining possibilities of this section preliminary to entering into an agreement with the provincial Government for the elimination of what is commonly described as the "Dual Control of Minerals within the E. & N. Belt."

Hon. William Sloan, Minister of Mines, has been working on the problem of bringing the minerals of the belt within the sole jurisdiction of the province since 1918. The company has naturally shown reluctance to release its underground resources without ascertaining fairly accurately the economic possibilities of the property, and this has delayed negotiations. The company realizes, however, that the present situation, requiring that title to mineral lands within the area must come both from the province and the company, is unsatisfactory and cannot continue.

Looking for Copper

Apart from the position which the company has been induced to take, which presages an early adjustment of the problem on a basis satisfactory to both the company and the provincial Government, it is expected that the explorations shortly to be undertaken will reveal valuable mineral deposits and if this is the case, the Canadian Pacific Railway, acting through the Consolidated Mining & Smelting Co., will probably take steps towards their adequate development. The prospects of finding copper ore in large quantities are said to be good, and it has been an open secret for some time that the Consolidated has been looking for an opportunity to start operations on Vancouver Island on a big scale on account of the proximity of the mines to the sea and the advantage of water transportation.

The proposition made to the company by the Government, and which will probably be the basis of settlement, is summarized as follows:

> "That, as regards the mineral rights within the E. & N. Railway belt remaining unalienated, the Government is prepared to go practically into partnership with the railway company. The district to become fully under the operation of the Mineral Act as far as underground mineral rights are concerned; that such mineral rights be administered by the Government; that the cost of such administration be entirely borne by the Government and that the gross receipts of all revenue received by the Government from and on account of such mineral rights, including taxes, be divided equally between the Government and the railway company."

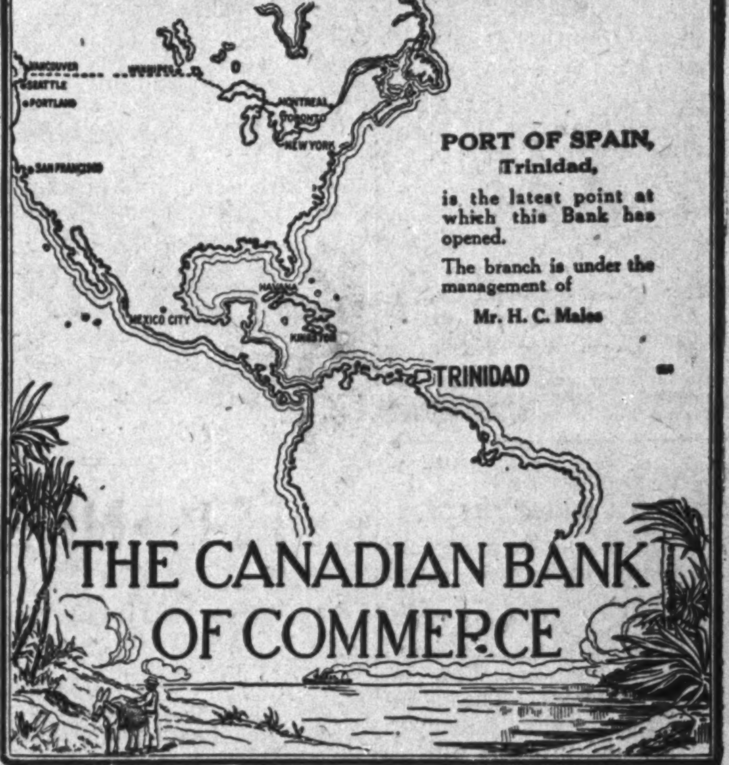
PACKER LEGISLATION

The Big Meat Industry Now Better Understood.

What will happen in packer control legislation before the United States Congress is problematical. But if the storm of opposition which has swept in upon Congress from the packers, the United States Chamber of Commerce, boards of trade, local chambers of commerce and industry generally is any indication, legislation enacted, if any, will by no means be as radical as that which has just failed.

The packers also appear to have met with success in their opposition to various sections of the proposed cold storage regulation legislation. After passing the Senate, this bill came on the floor of the House in the shape of a conference report. Vigorous opposition developed there to certain of the more radical features, with the result that the House by an overwhelming majority vote sent the whole matter back to conference. Up to the present the conferees have held no further meeting.

TRINIDAD



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Dividend Notice

(Dividend No. 148)

Notice is hereby given that a quarterly dividend of *two and one-half per cent.* (2½%) for three months ending March 31st, 1921 (being at the rate of *ten per cent per annum*), has been declared upon the Capital Stock of this Institution, and the same will be payable at the offices of the Company, Toronto, on and after Friday, the 1st day of April, 1921.

The Transfer Books will be closed from the 16th to the 31st of March, both days inclusive.

By Order of the Board.
G. A. MORROW,
Managing Director.

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CANADIAN TRADE SERVICE URGED WITH THE U.S.

Varied Opinions As To Practicability of Proposed Scheme

DOUBTFUL VALUE

Competition Limits Quantity—Trained Officials Scarce—Revenue Is Doubtful

That the establishment of a system of Canadian trade commissions throughout the United States will not justify itself at present, because the highly specialized information which such commissioners would require cannot be secured at salaries which the Government would offer, is the opinion of one of the largest importers and manufacturers in Canada, a man who has studied the American market not only in the development of his own business, but also in the interests of the Government. He is therefore qualified as few men are to express an opinion on the proposed trade commission service, which for the past few months has been a mooted subject at Ottawa and throughout Canadian business centres. This student of the question adds:

"It must be borne in mind that only in a comparatively few classes of manufactured goods can Canada compete with the United States. We are, in a large measure, dependent on the United States either for essential raw materials or for coal for processing. It is now and for some years will be difficult, if not impossible, for Canada to compete, at least in lines of similar character, against American manufacturers. The advantage of a highly developed industrial system and a specialized and trained labor market, is against us.

"The proximity of Canada to the industrial centres of the United States—the fact that the language is the same—the specialized training required of salesmen, who attempt to push the sale of Canadian merchandise in the United States—all indicate that the development of such commerce should be left largely to individual companies who can send over specially trained representatives. The experience of the British War Purchasing Commission in the United States has indicated the difficulty of securing the service of experienced men at salaries that could be paid by the Government. The business of developing new trade channels for all the various Canadian products is a task requiring the highest training, experience and judgment."

Big and Little Business

Advocating this proposal, certain well-informed business men point to the extensive trade service maintained by the large steel, paper and grain companies, arguing therefrom that the small dealer must experience severe if not prohibitory competition. They therefore urge the quick founding of the service as a protection and help for the smaller concerns. If, however, the business of the "large steel, paper and grain companies" is to be left to shift for itself—and doubtless it can do so quite satisfactorily—the amount of "small" business to be supported would be disproportionate and could not justify any extensive service even upon the most rosy views of optimism.

In promising his strong support of this service, for the double purpose of visé-ing invoices of exports to Canada and the collection of commercial intelligence, a gentleman whose official duties place him closely in touch with the problem and in a position to actively assist its solution reviewed conditions thus:

"There are in Canada some 93 American trade commissioners and vice-consuls. It is estimated that each official vises per year 2,134 documents, or approximately 10 per day. The suggestion has been made that twenty Canadian consuls be appointed as a start in the United States and that they be located at central points to which documents of shippers can be mailed for certification. Basing an estimate of revenue for such a service on the returns from the American Consular Service in Canada, it is estimated that an annual income of $1,000,000 may be expected."

Unfortunately, however, this authority had to admit that such a service must be extended to all countries and would undoubtedly absorb the profits derived from the American exports to Canada. The operation of the world-wide American consular service is a net loss annually of approximately $400,000—a similar service on our much smaller total of imports might constitute a national incubus.

The question is one that demands attention at once and should be investigated by officials in the department of trade and commerce as the present "Commercial Intelligence Service" is costing about $200,000 per year and bringing in no revenue. Considering that the country is now supporting this service, the extension through the United States and a reasonable extension in other countries might be achieved with little if any greater loss than we are now bearing. A detailed report and statement of costs should be prepared in order that a definite opinion may be arrived at.

EXPORTS OF GOLD MOSTLY RAW METAL

Sir Henry Drayton Gives some Interesting Details of Shipments Made

From Our Own Correspondent.

OTTAWA.—Sir Henry Drayton, presented a statement to the house during the week which threw some interesting light on the question of the export of bullion. By an order-in-council of June, 1918, the export of gold coin, bullion and bars was prohibited, and this prohibition is still in force. The proclamation provided that gold might be exported under license issued by the minister of finance, and there have been over 1,300 permits issued so far.

Most of the gold exported was in the form of raw gold and was exported direct by the mines for refining purposes. Other permits cover shipments of gold from manufacturing companies in Canada, such as the Goldsmith Brothers Smelting and Refining Company, of Toronto, for gold scrap which they forwarded to the United States for refining purposes. Where permits were issued for the export of gold coin by the banks the equivalent had already been imported or the bank guaranteed to import an equivalent amount.

There were many permits issued to Chinese firms for the shipment of United States gold coin in transit, presumably from the amounts composed of the earnings of individuals who were following the customary practice of Orientals in Canada of sending all their earnings out of the country. In the period from July, 1919, to February, 1921, the sum of nearly $370,000 in gold was so shipped.

MUNICIPALITIES LOSE THEIR STREETS

Have Signed Over Full Control to Hydro and Now Regret it

The all-dominating attitude of the Ontario Hydro-Electric Commission is being brought home forcibly to some of the municipalities. A protest is being made to the Provincial Government against the clauses of the Hydro legislation which take from the municipalities individual rights regarding their own streets. The clauses particularly referred to are as follows:

(c) "To make no agreement or arrangement with, and to grant no bonus, license or other inducement to any other railway or transportation company without the written consent of the commission."

(e) "To furnish a free right of way for the railway and for the power lines of the commission over any property of the corporations upon being so requested by the commission, and to execute such conveyance thereof or agreement with regard thereto as may be desired by the commission."

This Hydro legislation was passed in 1916. The present agitation was brought to a head in connection with franchise arrangements of Kitchener, Galt and other municipalities with the Grand River Railway—the C.P.R. subsidiary, which has so well served these communities. These municipalities, like others, signed away their rights to make agreements with other interests than the Hydro without the consent of the commission. Now Kitchener finds its franchise with the Grand River expiring and no sign of the Beck system covered by the agreement of 1916.

Growing objection to the dog-in-the-manger policy of the Beck Commission is indicated in the following comment by the Kitchener Daily Record:

This is news for the people of Kitchener who voted in 1916 because they wanted a publicly owned Toronto-London radial line. If they had been told then that by 1921 this Toronto-London project would be, as far as this district is concerned, practically in the discard, and that two clauses in the by-law might by July 1st of this year possibly occasion the loss of the Grand River Railway service on King street,—well, possibly the ratepayers would have decided otherwise.

At Monday's meeting it was stated that the vote on the 1916 radial by-law was more of a vote of confidence in Sir Adam Beck. Even that consideration does not excuse the council of 1915, or those who were supposed to examine the by-law in question, for submitting it with clauses which are proving harmful to the public interest. It is noteworthy that the objections of the local light commission to the 1919 radial by-law were based on similar clauses.

If to-day the London-Toronto radial line is unnecessary or impracticable, then the hydro commission should inform the various municipalities of this and take steps to free them from the obligations assumed under the by-law. At all events the relief contemplated in the resolution passed on Monday night should be granted promptly.

The municipalities concerned should really have stipulated, before passing the various radial by-laws in 1916, that the proposed radial lines be in operation within a specified period of time, say five years.

THE MANUFACTURERS AND UNEMPLOYMENT

Charges That Labor is Being Unfairly Treated Quickly Met at London

From Our Own Correspondent.

LONDON.—Charges made by E. A. Pocock that the unemployment in Canada is chiefly due to the actions of the Canadian Manufacturers' Association, which was endeavoring to force Labor to its knees through the weapon of unemployment were indignantly refuted almost as soon as uttered by John H. Laughton, of the Social Service Council. The matter came up at a meeting of various local organizations held to discuss what should be done in London to look after those out of work. Mr. Pocock, who, it may be mentioned, is regarded in many circles as a trouble maker, was appointed a member of the commission, which some time ago investigated matters in connection with Ontario courts and the administration of justice. It is stated that his appointment was made by Hon. Walter Rollo and that he received $25 a day and expenses. In the recent civic election campaign he ran for aldermanic honors in Ward 2 and was turned down by a vote that left no possible doubt about his status as far as the ratepayers are concerned.

In replying to Mr. Pocock's sweeping generalities, Mr. Laughton pointed out that in his extensive travels through Western Ontario he had discovered that manufacturers as a whole were more than anxious to keep their factories open. They would be willing, he believed, to pay still higher wages if it could possibly be done.

Mr. Pocock's wild statement has caused a storm in the council. Mayor Little flatly refused to meet any delegation to consider what should be done about the unemployment as a result of what Mr. Pocock and others said. A proposition advanced to pay so much a week to men out of work, he believes, would merely encourage them not to attempt to get positions. Toronto, he said, is finding out that paying the unemployed is one of the most dangerous propositions they ever had anything to do with.

Canadian General Electric Company
LIMITED

ANNUAL GENERAL MEETING.

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Canadian General Electric Company, Limited, will be held at the Head Office of the Company, corner King and Simcoe Streets, Toronto, on Monday, March 21st, 1921, at 12.00 o'clock noon, for the purpose of receiving the Annual Report of the Directors, the election of Directors for the ensuing year, and for the transaction of any other business which may properly be brought before the meeting.

By Order of the Board.
W. H. NESBITT,
Secretary.
Toronto, March 5th, 1921.

RAILROAD EARNINGS

The Canadian Pacific Railway reports earnings for the last week of February amounting to $3,067,000 as compared with $3,472,000 for the corresponding period in 1920, a decrease of $405,000 or 11.6 per cent.

Earnings of the Canadian National Railways for the last week of February totalled $1,895,616, against $1,744,631, an increase of $150,985 or 8.6 per cent. From January 1, to the end of February the earnings amounted to $16,932,090, an increase of $3,148,469.

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The right of the Public Utility to earn a fair reasonable return on the capital invested is now generally recognized as being in the public's own best interest and as a consequence those seeking investments that assure safety of capital and the certainty of a liberal income return are today turning to Public Utility Securities.

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We acknowledge your signed agreement covering our requirements to August, 1921. It brings with it the feeling of security that your contracts always give.
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First Mortgage 5% Bonds
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Net earnings for the years 1919 and 1920 averaged over $4,000,000, while the bond interest averaged about $358,000, or net earnings of over eleven times the bond interest.

Commencing in 1915, a sinking fund of 1½% per annum has been in operation to be applied in the purchase of bonds in the open market, at any price less than 105 and accrued interest.

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Advance Information

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Those who desire advance particulars about attractive new offerings should advise us; their names will then be placed on the lists for advance information.

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Winter Sports--Algonquin Park

THE month of March is one of the best months in the year to enjoy the attractions at Algonquin Park. Winter sports are at their height and the "Highland Inn" is the centre of a happy and congenial coterie of guests. Make your reservations early as accommodation is limited. Further information or booklet from any Grand Trunk Agent, or write T. Clarke, Manager, Highland Inn, Algonquin Park, Ont.

SCOTIA SHOWS HIGHER PROFITS FOR PAST YEAR

Steel and Coal Company Has Increase of $298,000

EARNED 7% ON COMMON

Working Capital Account Cut Down—Inventories Much Higher and New Bank Loan

From Our Own Correspondent.

MONTREAL.—The annual statement of the Nova Scotia Steel & Coal Company for the year 1920 rather surprised the average shareholder in showing an increase in profits over the previous year, for with the uncertainty in general and the strikes and dislocation of the industry since the end of the war an improved position seemed unlikely. The figures for the year 1920 show a total of profits of $2,376,086, as compared with $2,193,305 for the year 1919, a gain of $298,407. After making the usual deductions there remained available for the common dividend $1,039,407, or nearly 7 per cent., as compared with the five per cent. dividend, or $750,000, paid per annum on the $15,000,000 of stock outstanding. This amount ran $180,000 ahead of what was available one year ago. This report will come as an encouraging factor in the midst of a series of somewhat disconcerting elements that entered into the market influences of the week.

The figures of the profit and loss account for the past three years compare as follows:

Profit and Loss Account.

	1920	1919	1918
Oper. profits ..	$2,376,086	$2,193,305	$3,535,525
Defr. taxes, etc.	561,582	554,593	1,206,969
Interest	605,096	608,835	612,064
Net profits	$1,209,407	$1,029,877	$1,716,492
Pref. div. Scotia	80,000	80,000	80,000
Do., East. Can. Car.	90,000	90,000	.....
Avail. for com..	$1,039,407	$ 859,877	$1,636,492
Com. div.	750,000	750,000	750,000
Surp. for year.	$ 289,407	$ 109,877	$ 886,492
Prev. bal.	2,726,462	2,616,585	1,730,093
Bal. forw.	$3,015,869	$2,726,462	$2,616,585

The balance sheet shows a somewhat restricted working capital position. The current assets are up nearly $2,000,000, but on the other hand the current liabilities are $3,000,000 higher, leaving the net working capital at $6,445,857, as compared with $7,671,558 one year ago.

The inventories are up from $3,547,944 to $5,415,080, while Victory bonds are reduced some $800,000; call loans, $457,000, and cash, $400,000. Among the current liabilities is an item of bank loans of over $2,000,000 which has no parrallel in 1919 statement, while bills payable are up nearly $870,000. A new liability is a dividend payment on the preferred stock of the Eastern Car Company.

The working capital items compare as follows:

	1920	1919
Current Assets—		
Inventories	$ 5,415,080	$ 3,547,944
Bal. on deliv.	952,452	....
Acc. and bills rec.	2,051,860	1,382,594
Vict. bonds	1,261,458	2,045,711
Call loans	100,510	557,536
Cash	1,131,838	1,529,297
	$10,913,219	$ 9,063,082
Current Liabilities—		
Bank loans	$ 2,162,755	$ ....
Acc. wages & bills pay.	1,744,910	875,217
Inter. accrued	307,196	308,807
Divid. on pref.	20,000	20,000
Divid. on com.	187,500	187,500
Divid. on pref. of East. Car Co.	45,000	......
	$ 4,467,362	$ 1,391,524
Bal. work. cap.	$ 6,445,857	$ 7,671,558

ELECTED TO STOCK EXCHANGE

W. H. Mara, until recently connected with the firm of Michie, Mara & Co., of Montreal, who is organizing a new firm to be called the Mara, McCarthy, Limited, was elected a member of the Toronto stock exchange this week. His partner, Leigh McCarthy, was for some time associated with the Royal Bank in Toronto.

DULUTH-SUPERIOR

For the last week of February earnings of the Duluth-Superior Traction Company amounted to $35,096 as compared with $42,095 for the corresponding period in 1920, a decrease of $6,999, or 16.6 per cent. For the month of February the earnings totalled $139,972, a decrease of $7,746 or 5.2 per cent.

ILLINOIS TRACTION

The January earnings statement of the Illinois Traction Company shows gross amounting to $1,892,138 as compared with $1,729,783 for the same month in 1920, an increase of $252,405. Operating expenses and taxes amounting to $1,446,321 were higher by $236,833, while net earnings totalled $535,816, an increase of $15,572.

DOMINION STEEL

The heavy selling of Dominion Steel common on Wednesday last, during the course of which this security sold down 4⅝ points to a low of 37¼, is attributed to the liquidation of 10,000 shares on an English account.

FORT NORMAN OIL

Offering Made of $500,000 Stock in New Firm

Offering is being made of $500,000 of stock in the Fort Norman Oil Co., Ltd. The company, with an authorized capital of $3,000,000, par value $1, has been established with the purpose of developing oil fields at Fort Norman, in the Mackenzie River basin, and at Greater Slave Lake. In both of these fields the company has secured the rights on well-located properties. The property at Fort Norman is about one mile down stream from the property of the Imperial Oil Company where the rich well was brought in last autumn.

On the directorate are a number of prominent business men, including John M. Aitken, London, England, president, who is a brother of Lord Beaverbrook. Other members are: R. S. Sheppard, W. H. Thorburn and J. T. Eastwood, all of Toronto, and John G. Coleridge, of Windsor, Ont.

The Fort Norman properties were acquired previous to the bringing in of the well by the Imperial Oil Company.

WEST INDIA ELECTRIC RECORD EARNINGS

But Higher Operating Expenses Cut Down Net Earnings—8,410,000 Passengers

From Our Own Correspondent.

MONTREAL. — The West India Electric Company in its financial statement for 1920 shows gross receipts of 490,181, an increase of $106,516 over 1919, and the largest in the history of the road. Operating expenses, however, ran far ahead of 1919, as was the case with all similar companies—rising to 72.3 per cent.—with the result that net earnings amounted to only $135,820, or a decrease of $246 over 1919. After all deductions there remained a surplus of $74,518, equal to 9.3 per cent. on the outstanding stock of $800,000.

The profit and loss account for the past two years compares thus:

Profit and Loss.

	1920	1919
Earnings	$490,181	$383,665
Expenses	354,360	247,598
Income	$135,821	$136,067
Fixed charges	61,282	52,499
Interest	18,625	16,500
Net profit	$ 93,164	$100,068
Dividends	40,000	40,000
Surplus	$ 53,164	$ 60,068
Prev. surplus	627,076	567,000
Surplus forward	$680,240	$627,076

The records showed that 8,410,672 passengers had been carried, an increase of 1,946,725 over 1919. The balance sheet shows an increase in assets from $2,251,274 to $2,360,690. Property and plant rose from $1,756,115 to $1,788,318, while investment securities declined from $295,687 to $243,645. Accounts receivable are $28,201 against $19,986, and cash $210,656 against $122,954. Accounts payable are $46,325 against $21,844; bank overdraft $3,016 against $30,445; depreciation and renewals reserve $58,400 against $29,200.

PRUDENTIAL TRUST DECLARES DIVIDEND

Payment at Rate of 4% on Preferred—Trusteeships of $34,000,000

From Our Own Correspondent.

MONTREAL. — The Prudential Trust Company signalized a marked improvement in its operations during the past year by a declaration of a dividend on the preferred stock of 1 per cent. for the quarter ending Dec. 31, 1920, payable March 15, 1921. The preferred stock of the company amounts to $591,800, and the common to $18,286.

The net profits for the year amounted to $41,895, showing an increase of $11,849 over 1919. Out of this amount provision is made for the new dividend of $5,918, leaving a balance transferred to contingent reserve account of $35,977. This, along with a sum of $30,687 credited from 1919 brings the total of contingent reserve to $136,441.

In the trust department the company reports investments under administration by the company of $2,823,250, which is more than double last year's total of $1,411,390. Cash in bank amounts to $773,771, making a grand total of $3,597,021, as compared with $2,277,463 for 1919. In the guaranteed trust account the total is $1,044,050, comparing with $1,045,611 in 1919. The bond trusteeships of the company have grown from $33,177,000 during the year to $34,307,000 as at the end of 1920.

A gathering of representatives of Anglo-Canadian banking, commercial and professional interests resolved to proceed in the formation of a Canadian Chamber of Commerce in London.

BROMPTON BONDS EXCHANGEABLE FOR COMMON AT 2 FOR 1

Conversion Privilege Stirs Up Controversy Over Dividend

From Our Own Correspondent.

MONTREAL.—A definite intimation of the terms of the new bond issue of Brompton Pulp & Paper Company was contained in a circular sent out on Wednesday to the shareholders of the company calling a special meeting for March 24, at 2.30 p.m. This was to grant approval of an issue of $3,000,000 of 20-year convertible 8 per cent. mortgage bonds. Of this it is understood only $2,500,000 will be issued in the near future. A special provision of the issue will be that these bonds will be convertible into common stock on the basis of two shares of stock for each $100 par value of the bonds. This option will be good for a period of ten years. By-law 23 will be amended to allow the company to secure the consent of the preferred shareholders to the issue of these bonds.

In a circular that is going out to the shareholders it is pointed out that in the past two years the fixed assets of the company have been increased to the extent of over $4,000,000, through extensions and improvements to plant, and also the acquisition of timber limits, and that the directors have deemed it advisable to capitalize a portion of these expenditures. One of these is the installation of a groundwood pulp machine, with a capacity of 100 tons a day.

The only name mentioned so far in connection with the underwriting of this issue is the firm of Greenshields & Co., although it is expected one or two more will be associated with the issue. The impression is that it will be some time yet before the offering will be made publicly.

INCREASED EARNINGS FOR PORTO RICO RYS.

Net Income Shows Gain of 34%—Unfavorable Operating Conditions

Further definite evidence of the fact that public utilities are on the way to better times is contained in the financial statement of the Porto Rico Railways Company for the year ended December 31 last, which shows a substantial increase in net income, notwithstanding the fact that operation expenses continued at abnormal levels practically throughout the whole of the year. There was evidence, too, of the improved position during the year in the resumption of dividends on the common stock. The increase in net income for the year amounted to about 34 per cent., the net earnings for 1920 being $617,553, compared with $459,543, a gain of $158,010. Gross earnings amounted to $1,402,735, compared with $1,129,782.

Commenting upon conditions under which the company operated during the year, President D. E. Thomson points out that operating expenses continue abnormally high. A drought of unprecedented severity in May, June and July compelled the resort to steam plant operation, resulting in a loss of over $30,000. First mortgage bonds of the company amounting to $50,500 were purchased and delivered for cancellation in accordance with the sinking fund requirements of the trust deed. The amount so far redeemed is $502,500. Further purchases of such bonds have been made to the amount of $34,000.

The sum of $167,533 was expended during the year on capital account and paid out of earnings. After providing for interest charges and dividends on the preferred and common stocks, the surplus earnings amounted to $266,091. This, with the undistributed profits at the end of 1920, $$289,172, makes a total at credit of profit and loss of $555,264, after appropriation to various reserves of $140,000, leaving a balance carried forward of $415,264.

The following is a comparative statement of earnings for the past three years:

	1920	1919	1918
Gross earn. ..	$1,402,735	$1,129,782	$1,035,955
Opr. exp.	839,666	693,843	605,863
Net earnings	$ 563,069	$ 435,939	$ 430,091
Other rev. ...	54,484	23,693	16,537
Net income	$ 617,558	$ 459,543	$ 446,628

FRONTENAC BUSINESS

It is learned that the statement of Frontenac Breweries for 1920 will show profits amounting to $328,146, compared with $216,598 for the previous year.

The surplus will be increased as a result of the year's operations to $176,935 from $86,875 a year ago.

BLACK LAKE ASBESTOS

Bondholders Will Not Apply for Winding-Up Order

The bondholders of the Black Lake Asbestos & Chrome Co., Ltd., have decided, it is understood, not to carry out the threat made at the annual meeting last week to apply for a winding-up order at Osgoode Hall, as a means of protecting their interests in this company. They have assumed a passive attitude, believing that the interests represented by J. A. Jacobs, of Montreal, which were successful in securing control of the company at last week's meeting, will have sufficient money tied up in the enterprise to assure all parties fair treatment. Two of the newly appointed directors, W. G. Ross, president of the Asbestos Corporation of Canada, and J. W. Cook, of Montreal, are said to have been disappointed with the results of the meeting, and may resign from their appointment. The transfer of the head office of the company to Montreal has been practically decided upon, and a meeting will be called in the near future to ratify this proposal.

LIFE UNDERWRITERS

The life insurance men of Winnipeg are preparing for a life insurance underwriters' convention to be held in the city of Winnipeg on April 5, 6 and 7. Underwriters from all parts of Canada and the United States will attend.

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CONSOLIDATED SMELTERS

The Consolidated Mining and Smelting Company reports ore receipts at Trail Smelter from February 22 to the 28th, amounting to 8,031 tons, while for the year to date the receipts totalled 66,246 tons.

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PENMAN'S ABSORBS $1,250,000 LOSS IN ITS INVENTORY

This Cuts Profits Down Nearly $1,000,000 Compared With 1919

DIFFICULT YEAR

Sir Charles Gordon Speaks Very Frankly of Present Poor Conditions in Industry—Finances Strong

From Our Own Correspondent.

MONTREAL.—The statement of Penmans, Limited, for the year 1920 submitted to the shareholders at the annual meeting on Monday of this week showed a very sharp decline in profits amounting to nearly $1,000,000, dropping from $1,437,291 of one year ago to $460,305 this past year, or less than any previous year since 1914. After making deductions there remained available for common dividend 11.7 per cent., compared with 37.4 per cent. in 1919, 33.4 per cent. in 1918 and 33.5 per cent. in 1917.

For all this there was no spirit of disappointment at the meeting of shareholders. Probably this was due in a large measure to the fact that the president, Sir Charles Gordon, very wisely took the shareholders into the confidence of the directors and management and explained exactly the condition of affairs. Nor did he gloss over present conditions as has been done too frequently in the case of many other companies during the past few months. The shareholders knew just about where the company was at, and as the explanations of the president cover to a large extent both the woollen and cotton industries, it is reproduced at some length.

A Rap at Stock-Splitting

The president during the course of his remarks made a reference to increases in capital stock that was not misunderstood by those present. Declaring that the company had nothing to fear for the future he added that they had not been doubling their stock on a two- or three-to-one basis, and so were not now compelled to get out an issue of bonds. The capital of the company was the same as it had been in 1905 although the assets were two or three times as great.

He went on to make an interesting explanation of the reason why the inventory was higher at the end of the year than it had been one year before, with a quantity considerably larger when the lower valuation now is taken into account as well. The company had been doing such a large volume of business previous to November last that they had been carrying very heavy stocks. Suddenly during the past few months orders had been cancelled and new business had not come in.

"One of the most difficult years we have ever had to face has been that of 1920. At the beginning everything was running smoothly. We had plenty of business and all the orders we could possibly handle. The woolen business had great reverses in England and in the United States the early part of last year but we did not feel then that we would be touched here. We thought we would get through without much trouble.

"Unfortunately the storm broke here as it did all over the world, and in the last few months of 1920, particularly, business was very bad. We thought it prudent to write down our inventories by a very large amount so that we might not start the new year with a load of high-priced raw materials and stocks on hand. We wrote down our materials and stocks by over $1,250,000.

"In the past we have pursued a conservative policy in regard to dividends with the result that we have built up and added to our working capital a substantial amount. Now we have over $3,000,000 on hand even after making the large appropriation for our inventory this year. Thus we will start 1921 with our working capital practically intact. We have a large reserve on hand also through a conservative dividend basis and the shareholders will probably agree that it has been a wise policy to do so.

"We look with no apprehension towards the future. We look for the dividends to continue as usual. The company is in splendid shape physically. We will probably have to take our medicine with other companies but we look towards the future with confidence."

The vice-president of the company, R. B. Morrice, gave some examples of the reduction in prices of the company's goods which helped to account, besides the drop in raw materials and yarns, for the lower valuation of the inventory. In one case cashmere hose, which one year ago sold at $18 to $19.25 a dozen, were going out for next fall at $9.90. Woollen socks that sold at $7.25 last season would be $5.25 a dozen for next season. Cotton underwear that sold for $10.75 was now reduced for immediate shipment to $7.40.

The balance sheet reflects the drastic cut made in the inventory valuation through the presence this year—and not found one year ago—of a bank indebtedness, amounting to $1,300,000. This may be counted as due to the larger inventory of raw materials and manufactured goods on hand. The actual inventory total is $3,158,232 as compared with $2,913,620 one year ago, but there has been deducted from the 1920 total over $1,250,000 which would have brought it before the deduction to over $4,400,000, indicating a very considerable increase in quantity over that of 1919. The smaller volume of buying that has been going on of late has held accounts receivable down, while bills payable are slightly less than last year. The working capital is a little less than at the end of 1919, but still remains over $3,300,000. The items for the past two years compare as follows:

	1920	1919
Current Assets—		
Cash	$ 324,123	$ 104,621
War Bonds	206,565	65,125
Acc. Rec.	1,377,969	1,258,928
Bills Rec.	126,326	3,013
Unexp. Ins.	38,992	....
Inventories	3,158,232	2,913,620
	$5,232,210	$4,345,309
Current Liabilities—		
Acc. Pay.	$ 521,606	$ 678,990
Bills Pay.	9,808	3,800
Bank Adv.	1,300,000	....
Acc. Wages	15,260	26,211
Uncl. Div.	172	172
	$1,846,847	$ 709,173
Bal. Work. Cap.	$3,385,363	$3,636,135

The sharp drop in Penmans' profits were not due to a decline in sales, for the year's record showed an actual increase of $960,332 to $9,499,180. At the same time little criticism will be found with the company for declaring a few weeks ago a bonus of 2 per cent. dividend, for during the past five years, previous to 1920, the company had earned 130 per cent. on the common and disbursed a little less than 30 per cent. of this total in common dividends. This last bonus had been paid with working capital practically unimpaired, and with a generous reserve built up out of successive surplus profits. The profit and loss account shows a balance of $41,000 for the year's operations, as follows:

	1929	1919	1918
Profits	$460,305	$1,437,291	$1,358,331
Other rev.	......	85,742	......
Total	$460,305	$1,523,033	$1,358,331
Deprec.	......	129,719	121,160
Bond Int.	100,000	100,000	100,000
War tax	45,000	425,000	355,169
Pfd. divs.	64,500	64,500	64,500
Bal. for Com.	$250,805	$ 803,814	$ 717,502
Com. div.	209,683	145,165	161,295
Balance	$ 41,122	$ 658,649	$ 556,207
Patriotic	......	4,547	13,907
To reserve	......	500,000	500,000
Balance	$ 41,122	$ 154,102	$ 42,300
Prev. bal.	1,004,269	850,167	807,867
P. & L. bal.	$1,045,391	$1,004,269	$ 850,167

$2,000,000 BONDS OF FRASER COMPANIES

8% General Mortgage Issue Secured by Assets of N. B. Pulp Industry

From Our Own Correspondent.

MONTREAL.—A new pulp and paper offering was announced this week jointly by the Royal Securities Corporation and the United Financial Corporation in the form of $2,000,000 of 8 per cent. twenty-year general mortgage gold bonds of Fraser Companies, Limited, at 99 and accrued interest, giving a yield of 8.10 per cent. This issue ranks next in priority to an existing issue of 6 per cent. first mortgage serial bonds amounting to $2,250,000. One of the strong features for investors in this issue is the provision that $250,000 of the first mortgage bonds will be redeemed each year until 1929, having the effect of increasing annually the equity behind the general mortgage bonds and by 1929 making them a straight first mortgage claim.

The Fraser Companies, Limited, owns and operates two pulp mills in New Brunswick and twelve saw mills either in that province or the eastern portion of Quebec. The annual output of the pulp mills is 72,000 tons made up of 54,000 tons of bleached sulphite pulp and 18,000 tons of easy bleaching sulphite pulp. The company also owns large timber areas having a lumber production of 130,000,000 feet board measure annually and shingle production of 168,000,000 feet per annum. The timber areas include 1,822 square miles of leasehold and 210 square miles freehold timber limits, which are estimated to contain 1,760,000,000 feet board measure saw logs and 4,650,000 cords of pulpwood, and in addition the company has leasehold cutting rights on 900 square miles of privately owned lands.

The average annual net earnings of the company—after allowing for depreciation—available for interest charges on these bonds, taking the five years ending December 31, 1920, amounted to $741,450 or four times the interest charges on the general mortgage bonds now being issued. The net earnings for the year ending December 31, 1920, amounted to $1,276,301.

HIGHER EARNINGS FOR CITY DAIRY CO. DURING 1920

Favorable Record Maintained Despite Excessive Operating Difficulties

Through careful organization and efficient management the City Dairy Co., Ltd., of Toronto, was enabled to continue its very favorable record of the past few years throughout 1920, despite the fact that in many ways the year ended December 31 last was the most trying ever experienced by this company. The difficulties arose chiefly out of the excessive costs under which the company was required to operate, together with the fact that price adjustment of the company's commodities was necessary toward the close of the year to meet the altered conditions in the business world.

The annual statement shows net profits for the year amounting to $117,770 compared with $115,390 for the previous year and $112,022 for 1918. With a balance of $225,897 carried forward from the previous year's account there was available for distribution the sum of $343,668 compared with $274,897 at the close of 1919. During the year the arrears of dividends on the preferred were fully cleaned up, the sum of $73,500 having been disbursed for this purpose. In addition the sum of $49,000 was applied to meet the regular dividends falling due within the year. The balance to be carried forward amounts to $221,168 against $274,897 for 1919 and $196,257 at the close of the previous period.

The following comparative table shows the distribution of profits for the past three years:

	1920	1919	1918
Net profits	$117,770	$115,390	$112,022
Bal. for	225,897	159,507	84,235
	$343,668	$274,897	$196,257
Pref. arrears	$ 73,500	......	......
Pref. div.	49,000	49,000	36,750
Balance	221,168	225,897	159,507
	$343,668	$274,897	$196,257

Outlook Is Brighter

President C. B. McNaught, in his report to the shareholders, points out that many of the operating difficulties which were a handicap to business during the past year have now disappeared, and this fact augurs well for the continued successful operation of this company. The company's properties, he points out, plants and equipment, have been maintained to the highest standard of efficiency. The ice cream plant has been thoroughly modernized, and its facilities in its cold storages greatly increased. A receiving station was erected during the year at Simcoe, being rendered necessary by the increasing demand there for the company's products. The Drimilk Co., Ltd., of Courtland, organized during the year, is filling an important place in the success of the operations of the company, he adds. This asset is being carried in the investment account.

The balance sheet shows total assets amounting to $2,066,317 compared with $1,901,255 for the previous year. Accounts receivable now stand at $162,566 compared with $95,364. Investments amount to $300,747 against $209,060. Bankers' advances show a marked increase from $19,114 to $118,948, while accounts payable are up from $299,635 to $323,086. The reserve has been increased from $24,000 to $48,000.

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ONTARIO'S MINES MAKE FAVORABLE SHOWING IN 1920

Despite Severe Power Shortage Which Hampered Operations

GOLD OUTPUT HIGHER

Increased by $1,000,000 Over Previous Year—Moves Ahead of Silver Production—Over $9,000,000 Increase

From Our Own Correspondent.

COBALT.—Despite the readjustment period and a severe power shortage, the mines of the north weathered the year 1920 in excellent style, according to a preliminary report of the Department of Mines. Both the gold and the copper-nickel mines increased their output, while the silvers eased off in value, though the reduction in ounces was not marked.

For the first time in the history of the province the gold output stepped past that of the silver, the increase in gold production being a million dollars over the year before. To this increase, by doubling its output, Kirkland Lake gave half a million. All the leading gold producers with the exception of the Hollinger increased their output, the Dome 60 per cent, McIntyre 13 per cent., Kirkland Lake Gold 400 per cent., Lake Shore 90 per cent., Teck-Hughes 50 per cent.

The power shortage undoubtedly held down the increase. Hollinger was hit hard. The gold ore tonnage milled was 1,258,232, and the values extracted reached $11,659,929 or an average of $9.27.

The drop in the price of silver, which averaged just a fraction over $1 or 11 cents less than in 1919, cut the value of the silver production. In 1919 11,363,252 ounces were mined for a value of $12,904,312. In 1920, 10,968,358 ounces, value $10,819,678.

Wide Range in Silver Prices

A feature of the year in silver, however, was that on January 12 the price reached $1.37, the highest on record during the history of the Cobalt camp. Then it slumped, gradually, until it hit 59¼ on December 10. Another feature was the high price realized for the cobalt content. There were 977,270 pounds shipped and this netted the mines $560,078.

The department figures show that since the finding of the Cobalt camp 314,431,329 ounces of silver have been mined, the value of which was $192,719,032. The leading producers of last year were: Nipissing, 3,390,537 ounces; Mining Corporation, 1,806,274; O'Brien, 1,179,706; Coniagas, 990,176; McKinley-Darragh, 613,428; Kerr Lake, 601,604; LaRose, 492,801; Miller Lake O'Brien, 376,417; Temiskaming, 298,627.

Outside the Nipissing, which paid its usual 30 per cent., the Coniagas stepped to the fore in 1920 by paying $1,100,000, and thus passed the ten million mark. The dividends paid by the silvers to date is $82,403,185, and the total paid by the golds is $18,802,166, or a grand total for the gold and silver mines of $101,205,351.

The gold and silver dividends as paid last year with the total to the end of 1920 are as follows:

Gold	Paid 1920	T't'l End 1920
Dome	$ 416,886	$ 1,916,886
Hollinger	2,214,000	13,369,000
McIntyre	546,042	1,994,656
Lake Shore	80,000	280,000
Total	$3,256,928	$17,551,541
Silvers—		
Beaver	60,000	710,000
Coniagas	1,100,000	10,740,000
Kerr Lake	80,000	8,865,000
McK'ley Dar'h	269,723	5,955,392
Mining Corp.	622,519	5,499,868
Nipissing	1,835,000	23,118,297
Temiskaming	100,000	2,159,156
Total	$4,067,242	$57,047,713

Total for all golds, $18,802,166; all silvers, $82,403,185.

The copper-nickel mines, like the golds, also made a material increase in output, the value in nickel taken out alone passing the ten million dollar mark during the year and this despite the fact that the bottom practically dropped out of the market during the last quarter of the year. The value of the copper also increased and it was subject to the same depressing influences as nickel.

During 1920, 11,715 tons of copper matte were mined as compared with 9,431 the year previous. The values for the two years were: 1919, $2,740,663, and 1920, $2,928,750.

Nickel mined in 1919, 15,581 tons; 1920, 21,371 tons. Values, 1919, $7,990,403; 1920, $10,585,500.

The mineral value is given as follows:

Metallic	Value, 1919	Value, 1920
Gold	$10,451,709	$11,665,735
Silver	12,904,312	10,819,678
Platinum	200,000	18,009
Copper	969,024	1,041,994
Nickel met.	3,592,984	3,852,141
Nickel oxide	341,833	1,151,490
Cobalt met.	243,554	392,926
Cobalt oxide	624,553	1,210,810
Other cobalts	141,372	1,629
Nickel Sulphate and Cmpds	46,711	15,362
Lead, pig	94,507	180,951
Copper, matte	2,740,663	2,928,750
Nickel, matte	7,990,403	10,685,500
Iron ore exp'ted	48,341	59,647
Iron, pig	1,200,793	2,204,205
Total	$41,590,759	$46,228,827

The total value of the non-metallic in 1919 was $17,293,157; in 1920, $22,227,954. The metallic added to these figures give a grand total of $58,883,916 in 1919 and $68,456,781 in 1920 or an increase of over nine millions.

NEWS OF ONTARIO MINING CAMPS

Conditions Not Favorable to Immediate Resumption of Operations

From Our Own Correspondent.

COBALT.—Some of the silver mines are talking of resuming operations but the outlook is not bright and it is believed that several of the companies will think twice before they make a move to go ahead.

The Kerr Lake has had a handful of men at work on development, and while there had been some talk of the resumption of production, it is generally believed that the company is undecided. The McKinley-Darragh it looks as though they will con- it looks like as though they will continue so for some time, though with costs lower the conditions are materially improved. The Hudson Bay is preparing to again produce. About 330 tons of fifteen-ounce ore have been broken and there is a considerable tonnage in sight. It is believed that the mill will be ready to go ahead by May 1. There will be a reappraisal of ore values at the Keeley in South Lorraine before it goes on again.

It is believed that the Bailey's annual report, which will be issued this month, will show good ore reserves. It is understood that the broken ore reserves will be placed at 157,000 ounces.

Because of the power shortage and the fact that the Hollinger was forced to use its steam plant, it has entered a damage action against the Northern Canada Power, Ltd., for the losses sustained. Hollinger has declared another one per cent. dividend, payable March 25 to stockholders of record March 10.

The Argonaut Gold at Beaverhouse Lake is making excellent progress. No. 3 shaft is being sunk and should reach the 500-foot level shortly. Favorable results have been achieved at the 200-foot level and place the property in the ranks of one of the leading prospects of the north. The ore bodies are five to seven feet wide.

The average values at the Keora are said to be low grade, though the values in some of the stringers, which occur over a wide area, contain some good values. Little has been given out as to the results achieved on the 250-foot level. At the 700-foot level of the Kirkland Lake gold, some good values have been struck. A vein four feet wide has been opened up which shows high-grade ore. The Wright-Hargreaves is ready to start work, but because of the power situation it is not believed that a start will be made before the first of May.

The Northcrown has reduced underground operations to two crosscuts. The one in the Krist is on its way to strike a series of veins shown in a flat drill hole which was put down. The other is running for the northwest section and will take months to complete.

The Atikokan iron mine, which belongs to the Mackenzie & Mann and Stanford White interests, and which is situated near Port Arthur, has been optioned by C. K. Quinn, of Duluth. The price is a million and a half. The city of Port Arthur has an eighth interest in the mine as a bondholder holding bonds valued at $200,000. It is understood that the new interests will open up the blast furnace, which has been idle a number of years.

OAKOAL CO. ASSIGNS

Goes Into Voluntary Liquidation—Difficulty in Making Collections

The directors of Oakoal Co. of Canada have announced their decision to go into voluntary liquidation for the purpose of reorganization. A statement issued says that the company was not in a state of bankruptcy, but owing to the present financial depression was finding it difficult to make collections on stock subscribed for, which approximates the amount the company owes. The idea of going into voluntary liquidation, the statement adds, was simply to give ample time for reorganization, collection of outstanding subscriptions and meeting all obligations. E. R. C. Clarkson & Sons have been appointed receivers.

CANADA'S MINERAL OUTPUT, HIGHEST VALUE ON RECORD

Estimated for 1920 at $217,750,080, An Increase of 23.3 P. C.

MANY HANDICAPS

Quick Recovery in Production of Copper, Nickel and Zinc, and Coal Among Non-Metallic Products

The total estimated value of the metal and mineral production of Canada in 1920 was $217,775,080, which is greater than the total value reached during any preceding year, according to a preliminary report on the mineral production of Canada prepared by John McLeish, chief of the division of mineral resources and statistics at Ottawa. The figure for 1920 compares with the production in 1919 valued at $176,686,390, and represents an increase of $41,088,690, or 23.3 per cent., while compared with 1918 the previous maximum year the increase was $6,473,183, or 3 per cent.

This report is the more favorable when consideration is given to the fa that the mines were operated under handicap throughout the greater pa of the year, arising out of the sca city and high cost of labor. The e dence toward the close of the ye Mr. McLeish adds, of economic depre sion, falling prices, restrictions complete cessation of operations numerous points, tended to monopol the public mind and to divert atte tion from the fact that Canada's m ing industry during 1920 had f nished an output, the value of wh was greater than had been attai in any previous year.

The metallic production, which 1918 was valued at $114,549,152, a fell in 1919 to $73,262,793, had creased in 1920 to $77,236,370. T total value of the non-metallic prod tion, including clay and quarry p ducts, in 1918 was $96,752,745; 1919, $103,423,507, and in 1920 creased to $140,538,710. The rep proceeds as follows:

> The past year has shown a quick covery in the production of cop nickel, and zinc amongst the metals, in the production of coal and many ot non-metallic products. Gold product has continued to increase during e of the past two years, though the cremement has been very small, and Ca da occupies an almost unique posit in being perhaps the only gold prod ing country which has not shown a ious falling-off in the production this metal. In the production of z asbestos and coal the highest pinna production has been reached during year just closed.
>
> Shortage of fuel throughout the gr er part of the year in Central Can and insufficient transportation fac ties have tended to restrict shipme In many camps labor was none too p tiful and wages for the most part w maintained at the highest levels.

The following table shows the va of output of a number of the m important metals for the past years:

	1920.	1919
Copper	$14,166,479	$14,028
Gold	15,853,478	15,580
Lead	3,038,346	3,053
Nickel	24,454,597	17,817
Silver	12,908,683	17,802
Zinc	3,081,149	2,362
Iron ore	510,525	693
Pig-iron	30,578,253	24,577
Coal	77,326,853	54,413
Petroleum	47,098,332	29,519

Available for Policy Holders

Paid up capital	$250
Reserve Fund	451
Bal. of profit and loss	648
Total	$1,349

MINING STOCK QUOTATIONS

Week ending March 8.

	High	Low	Close
Adanac	1¾	1⅝	1⅝
Apex	2	..	..
Atlas	20	18	19
Bailey	3¾	3½	3¾
Beaver	40	38	38
Cham. Ferl.	7	6	7
Cons. Smelt.	19½	18	18
Crown Res.	18	16	16
Dome Ext.	60	54	60
Dome Lake	3	..	..
Dome Mines	18.00	17.55	17.75
Gifford	1¼	..	..
Gold Reef	3⅞	3½	3⅞
Hargraves	1½	..	..
Hillcrest, pf.	70	..	..
Hollinger	6.70	6.60	6.65
Hnuton	9½	..	..
Keora	18¼	16½	18
Kirk. Lake	50	49	49½
La Rose	27	24	24
Lake Shore	1.18	1.16	1.16
McIntyre	2.00	1.96	1.96
Min. Corp.	1.09	0.99	1.05
Newray	8¼	7	7
Nipissing	8.80	8.45	8.60
Peter. Lake	9½	8	9
Porc. Crown	21¾	21	21¾
Schumacher	24	..	..
Silver Leaf	1¼	..	..
Teck-Hughes	10	..	..
Timiskaming	25	..	..
Thom-Krist.	7¼	7	7¼
Trethewey	16	..	..
V. N. T.	19¾	18½	19
West Dome	7⅜	6	6
Skead	51	40	51
Argonaut	35	..	...

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Politicians Like to Work on the Feelings of the People

RESPECTING EXCHANGE

Discounting of Canadian Dollar a Matter of Practical Business—Fordney Bill Will Reduce Our Purchases in U.S.

By A. B. BARKER,
Manager Toronto Clearing House.

The Fordney Bill in the United States, placing a tax on wheat in the interests of the American farmer, has stirred up much adverse criticism in Canada and other places. It is, however, the privilege of that country to pass such an act, and it is hardly within our rights to object as the duties contemplated apply to every other country equally.

Some of our politicians have threatened retaliation in kind, but when the American politicians, by increasing their tariff, make it impossible for American dealers to buy Canadian products, they are penalizing their own export trade, Canada being one of their best customers. Trade does not consist in selling goods for money but in exchanging goods for other goods. When Canadians sell goods to American dealers they do not sell for American money but for American goods. Money enters into the deal, it is true, but only as a means of exchange, as money is useless unless exchanged for commodities. When Canadians buy American goods these are paid for not in money but in goods, and if the American tax on our goods cuts down the amount of goods to be received in exchange the result will be that we will trade elsewhere. In this way will come about what Canadians have been urged to do for years, viz., restrict purchases from the United States.

On political platforms, since the premium on American funds has been heavy, each reference to a possible reduction of purchases from the United States has been greeted with cheers. The reason seems to be that many have the erroneous idea that our American friends are responsible for the discount on Canadian funds, and that in some way they are making a profit by forcing this condition. Some politicians have encouraged this belief, and if any one really took political speeches seriously mischief might result. Fortunately, here and in the United States, the people have a fair idea of the amount of importance attaching to these wild statements. They know quite well that all the speaker is after is a cheap but effective phrase which will raise a cheer. Facts are not allowed to interfere. In the days when melodrama was popular, the blonde heroine spurned the villain with "Rags are royal raiment when worn for virtue's sake." She was cheered, the villain was hissed and everybody was satisfied.

Melodrama was, however, finally laughed off the stage as the public demanded more truthful representations of life. Many actors, however, clung to the old style and the speeches that once "got over."

The public really wants facts, and, as it usually gets what it wants in the long run, some of these days we may hear a political speaker actually speaking of trade as it really is.

BRANCH IN TRINIDAD

The Canadian Bank of Commerce Enters a New Field

It is announced that a branch of the Canadian Bank of Commerce is to be opened in the immediate future at Port of Spain, Trinidad. Port of Spain lies at the mouth of the Orinoco, which is navigable for twelve hundred miles by river steamer except in the dry season, and which, with its many tributaries, is the principal avenue of trade for a large part of Venezuela.

This trade is still in its infancy for, owing to the disturbed Venezuelan political conditions, the interior of that country is little known or developed, but as its resources are exploited the importance of Port of Spain, as the point of transhipment for all exports, will be greatly increased.

Trinidad itself exports products to the value of some £5,000,000 annually, of which the principal ones are oil, partly used for bunkering ships; cocoa, the standard of which is unusually high; sugar, molasses and rum.

Imports are of about the same value and as much of the demand is for goods which are, or could be, supplied by Canada, the opening of a Canadian bank simultaneously with the ratification of our trade agreement with the British West Indies is of special interest to this country.

BANKERS AND AUTOS

A Big Factor in Developing Rural Business.

According to an inquiry conducted among car owners of varied occupations in ten major states of the United States by the National Automobile Chamber of Commerce, bankers are increasing the output of their business 33 per cent. through use of the automobile. Bankers in rural districts say that more loans, better inspection of properties, and sounder acquaintanceship with clients is made possible by means of the automobile. Many country bankers estimate the increased volume of trade due to motor travel at over 50 per cent. Some put the added increment at several hundred per cent.

EXCHANGE MARKETS

Fluctuations During Past Week of Minor Proportions

The exchange markets greeted the news of the Allied occupation of certain German industrial cities passively, and the minor reactions which followed the announcement were made up at the close of the week. Sterling declined from around $3.89 to $3.85⅝, recovering later, however, to $3.88½. Francs were practically unaffected. The fluctuations in New York funds were of minor proportions, funds remaining fairly steady around 14 per cent. The following are the variations in the quotation in francs, Sterling and New York funds:

NEW YORK FUNDS

March 3—New York funds opened at 14 1-16, sales at 14, 14 3-32, 14, 13⅞ to 14 at close.

March 4—Funds steadying, opening transaction at 13 15-16 and sales also at 14 and 14 1-32.

March 5—Trading light, premium held steady at 14.

March 7—Opened at 13 15-16, moving up to 14.

March 8—Opening quotation 14 1-16, sales at 14⅛, 14 5-16, 14⅛ to 14⅛ at close.

March 9—Fund opened at 14⅛, sold at 14 1-32, 14 1-16, 14 1-32 to 14 1-16 at close.

STERLING AND FRANCS

	Sterling		Francs	
	Demand	Cables	Demand	Cables
March 3 ...	$3.89⅞	$3.90⅝	13.99	13.97
March 4 ...	3.89½	3.90¼	13.83	13.81
March 5 ...	3.89⅛	3.89⅞	13.93	13.91
March 7 ...	3.89¾	3.90½	13.82	13.80
March 8 ...	3.85⅝	3.86⅜	13.96	13.93
March 9 ...	3.88½	3.89¼	14.11	14.09

COMMERCE

The Canadian Bank of Commerce announces that a branch of the bank will shortly be opened at Port of Spain, Trinidad.

NOVA SCOTIA

The Bank of Nova Scotia announces the opening of a branch at New Liskeard, Ont., also a branch at St. Andrews East, Quebec.

MONTREAL

The Bank of Montreal has purchased property at the corner of Main and Timothy streets, Newmarket, and will start work on a new bank building in the spring.

UNION

C. P. Saunders, for nine years manager of the Gull Lake branch of the Union Bank, has been appointed inspector for southern Saskatchewan.

BANK BRANCHES

The Bank Directory for February shows that at the end of January the number of branches of the Canadian chartered banks was 4,882, of which 4,685 branches were situated in Canada. Ontario had 1,579 branches and Quebec 1,166.

Weekly Bank Clearings

(In comparison with same week last year.)

Eastern Cities	Mar. 3, 1921.	Change.	%
Toronto	$ 95,867,356+	$ 2,192,250	2.3
Montreal	128,733,821—	1,726,732	1.3
Ottawa	9,462,668—	2,308,922	21.4
Hamilton	5,263,675—	2,188,837	29.3
Quebec	6,248,528—	121,879	1.9
Halifax	4,070,767—	522,565	11.3
London	3,260,564—	353,963	9.7
St. John	2,990,542—	644,807	17.7
Windsor	2,726,716—	214,918	7.3
Brantford	1,248,303—	36,320	2.8
Sherbrooke	1,284,281+	577,473	81.7
Kitchener	951,671—	250,640	20.8
Peterboro'	954,370+	222,051	30.3
Total East	$262,063,262—	$ 5,377,809	2.0
Moncton	1,118,909	....	...
Western Cities.	**Mar. 3., 1921.**	**Change.**	**%**
Winnipeg	$ 38,543,623—	$ 6,307,058	14.0
Vancouver	13,629,670—	2,473,580	15.3
Calgary	6,829,032—	1,335,895	16.3
Edmonton	5,557,509+	175,093	3.2
Regina	3,425,317+	659,637	23.8
Victoria	2,356,948—	657,844	21.8
Saskatoon	1,769,998+	380,107	27.3
Moose Jaw	1,219,432—	394,994	24.4
Ft. William	908,694+	49,226	5.7
Brandon	748,530+	83,310	12.8
Lethbridge	564,158—	152,982	21.3
New Westminster	498,915—	33,216	21.0
Medicine Hat	371,894—	68,657	15.6
Prince Albert	329,013—	62,738	16.0
Total West	$ 76,752,733—	$10,237,591	11.7
Grand total	$338,815,995—	$15,615,400	4.4
Yr. to date	$3,042,581,861—	$142,194,252	4.5

CANADA LOOKS TO UNITED STATES TO GAUGE FUTURE

Continued from page 1

public. In the meantime New York will continue to be the business and money centre for Canadian-American banking and trade.

New York's Attitude

New York has always been favorably disposed toward our Dominion. In the last five years particularly there has been a tremendous growth of the banking relations of the two neighbor countries. Through New York channels go all of Canada's transactions in international exchange for the reason that money deals gravitate to the nation controlling the bulk of trade and the United States is the nation with which we do our biggest business. E. M. Dawson, manager of the foreign exchange department of the Union Bank of Canada at Montreal, told an audience of Toronto bankers recently that New York would continue to dominate the rate for the Canadian dollar in New York (and automatically for all our foreign exchange operations) and then automatically set the rate for New York funds in Canada for some time to come.

American investors through the New York market no doubt will continue to buy our bonds as fast as we are disposed to market them across the line, and at the same time "speculate" in the future status of the Canadian dollar abroad. Americans like the attractive yields of our bonds—more than ever attractive now owing to the prevailing discount in the United States. The Canadian Government's decision to liquidate $25,000,000 maturing bonds on April 1 will serve to strengthen New York financial opinion of the Dominion and stand us in good stead for future financing.

The New York Chronicle admits that "the advent of a 'new administration' is viewed by the business world with more or less trepidation" and other American financial papers emphasize the general apprehension toward future congressional developments.

It does not seem probable, however, that America's attitude toward Canada will bring any marked change in our business relations excepting in so far as this country comes to be touched in the tariff adjustments believed to be imminent. A high duty against our products would serve to curtail Canadian buying in the United States at the very moment that Americans most need to quicken their sales abroad in an effort once more to speed up industry and business. It is inconceivable that President Harding will kill the goose that lays the golden eggs, but rather that his followers, "conservative-minded men" as the New York Journal of Commerce has described the Republican cabinet, will have every regard for America's second best customer, who in the three years ended January, 1921, bought American products to a total value of $2,405,000,000 or $1,003,000,000 more than was sold in return.

BONDS
FOR INVESTMENT

Province of Ontario, 6%, Due 1935, at 100, to yield 6%.

Montreal Water & Power, 5%, Due 1932, at 71, to yield 8½%.

*Northern Ontario Light & Power, 6%, Due 1931, at 78¾, to yield 9.30%.

*Dominion Power & Transmission, 5%, 1932, at 86.56, to yield 6.75%.

*Payable in New York Funds

BALFOUR, WHITE & COMPANY
Investment Bankers
136 St. James St., Montreal
Telephone: Main 1516-1517

PROVINCE OF QUEBEC

CITY OF THREE RIVERS

Public notice is hereby given that The School Commissioners for the City of Three Rivers, will receive until Monday, the twenty-first of March, 1921, at 8 o'clock P.M., at the office of the undersigned, sealed tenders endorsed "Tenders for Debentures," amounting to $250,000.00.

These Bonds or Debentures amounting to $250,000.00, in denominations of $100.00 and $500.00, will be dated the 1st May, 1920, payable in the Province of Quebec, by series of annual instalments. The interest at the rate of 6% per annum, to be payable semi-annually at the office of the Hochelaga Bank, in the City of Three Rivers, or in the City of Montreal, or in the City of Quebec, the first May and November.

The series of annual instalments shall be payable as follows:

November	1st,	1921	$3,000.00	November	1st,	1936	$ 7,300.00
"	"	1922	3,200.00	"	"	1937	7,700.00
"	"	1923	3,400.00	"	"	1938	8,200.00
"	"	1924	3,600.00	"	"	1939	8,700.00
"	"	1935	3,800.00	"	"	1940	9,200.00
"	"	1926	4,000.00	"	"	1941	9,700.00
"	"	1927	4,300.00	"	"	1942	10,300.00
"	"	1928	4,500.00	"	"	1943	11,000.00
"	"	1929	4,800.00	"	"	1944	11,600.00
"	"	1930	5,100.00	"	"	1945	12,200.00
"	"	1931	5,400.00	"	"	1946	13,000.00
"	"	1932	5,800.00	"	"	1947	13,800.00
"	"	1933	6,100.00	"	"	1948	14,600.00
"	"	1934	6,500.00	"	"	1949	15,500.00
"	"	1935	6,900.00	"	"	1950	26,800.00

The Tenders must be accompanied by an accepted cheque equal to 1% of the amount of the total issue, and specify whether the price offered does or does not include accrued interests.

The Tenders will be considered at a public sitting of the School Commissioners, which shall be held Monday, the 21st March, 1921, at 8 o'clock P.M., or at adjournment of said sitting.

The lowest or any other tender not necessarily accepted.

THREE RIVERS, this ninth day of March, Nineteen Hundred and Twenty-One.

ARTHUR NOBERT,
Treasurer.

Howard Smith Paper Mills Limited

7% Gold Bonds, Due Jan. 2nd, 1941
at 91 and Interest, Yielding 7.90%.

Principal and Interest of these Bonds are payable in New York funds. As long as New York funds continue at the present level,

The Yield would be Over 8.50%

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NEWS AND VIEWS FOR MANAGERS

CANADIANS TAKE HIGH POSITIONS IN BANKS OF U.S.

Appointment of Archibald Kains Is The Latest

EXPERIENCE COUNTS

Canadian System Has Advantages in Educating Bankers In Matters of Foreign Trade

Undeniably the appointment of Archibald Kains to the presidency of the new-formed $7,000,000 Federal International Banking Company is a further tribute to the training men receive through the Canadian banking system and Canadian banking practice. Since last November it is the third notable example of Canadian-trained bankers being appointed to positions of eminence in the United States. Vere C. Brown, western superintendent of the Canadian Bank of Commerce, was taken away from Winnipeg to become an executive officer of the National City Bank of New York; John McHugh, former Canadian, and vice-president of the Mechanics and Metals National Bank of New York, chiefly conceived the $100,000,000 Foreign Trade Financing Corporation, and now Mr. Kains, for many years in the service of a Canadian bank, becomes the chief executive director of the destinies of one of the financial giants of the American South.

The Federal International Banking Company will finance the products of the South in foreign trade. Mr. Kains, the company's new president, received the groundwork of his banking in the Canadian Bank of Commerce, both in this country and in the United States. He was manager at New Orleans until that branch was closed, when he was transferred to California. He left the Canadian Bank of Commerce to become governor of the Federal Reserve Bank of San Francisco. In November, 1917, he became identified with one of the first of the American banking corporations to become identified with the foreign trade movement. In association with T. Frederick Aspden, a former confrere in the Canadian Bank of Commerce, Mr. Kains was largely instrumental in forming the American Foreign Banking Corporation, in which the Standard Bank of Canada is a shareholder. Mr. Kains became president, and Mr. Aspden vice-president. Mr. Aspden has since become vice-president of the Park-Union Foreign Banking Corporation, with which the Union Bank of Canada is associated.

The Broader Training

Not all of the 4,800 branch bank managers in Canada fully appreciate that the high positions which many former Canadian bankers occupy today in the field of international banking is due to the admirable training which they as individuals receive under our country's banking system. Never was this more fully realized than during the past three years in the city of New York; never was it more fully demonstrated than in this period that so many New York bankers were more provincial, more restricted, in their banking outlook and experience, and in their banking methods than Canadian bankers.

Clearly, later results in American banking have amplified the broader scope of Canadian bank training; due primarily to the branch bank system as against the unit bank system.

The development of the "trade acceptance" in the United States found American bankers uninitiated in what had for long years been one of the fundamental props of Canadian banking. George Wilson, now assistant general manager of the Union Bank of Canada, was New York agent of his institution when New York bankers first began their educational campaign on behalf of the trade acceptance. Mr. Wilson did an immeasurable service, when on behalf of the Union Bank of Canada he issued his booklet, "Trade Acceptance; Canadian Practice," which came to be an accepted thesis upon the subject.

With the further development of America's foreign trade ambitions, American bankers discovered a surprising dearth of foreign exchange bankers among their own trained staffs. The United States had long been concerned almost wholly with domestic banking; little thought had been given to foreign requirements. The result was a determined bidding for British and Canadian trained bankers with international experience.

In New York city there are many notable examples of former Canadians who have risen to prominence in banking. In addition to Mr. Kains and Mr. Aspden, there are R. E. Jones, formerly of the Royal Bank, and now vice-president of the Bank of Manhattan Company; John H. Fulton, formerly of the Bank of Commerce, and now chairman of the executive of the National City Bank; Vere C. Brown, formerly with the Bank of Commerce, now on the executive of the National City Bank; E. J. Schilling, foreign exchange manager of the Lincoln Trust, and formerly on the staff of the Union Bank.

In Chicago there are the Forgan brothers, James B. Forgan, chairman of the First National Bank, and David R. Forgan, president of the National City Bank of Chicago, both of whom after early training in Scottish banks graduated to the Bank of Nova Scotia, before wending their way across the border line to further banking eminence. In addition there are Alex. Robertson, vice-president of the Continental and Commercial National Bank; Jos. M. McCurrach, another vice-president of the same institution; H. G. P. Deans, vice-president of the $15,000,000 Merchants Loan and Trust Company, and John H. Reid, assistant manager of the Bond Department, Central Trust Company of Illinois.

For geographical reasons alone it is not surprising to find many bankers formerly of the Dominion staffing the banks of Detroit, Mich.; Buffalo, N.Y.; Cleveland, Ohio; Minneapolis and St. Paul and Duluth, Minn. In Detroit Mr. Ballantyne, former Londoner, is president of the Merchants National Bank. In Cleveland J. G. Geddes, formerly of the Union Bank, initiated the foreign exchange department of the First National Bank, and later became one of the bank's vice-presidents; R. B. Small, also formerly of the Union, as assistant secretary of the newly consolidated $33,000,000 Union Trust Company; F. W. Heathcote, former Canadian, is chief accountant of the Bank of Italy, at San Francisco, Cal.; Fred C. Clayton, another former Canadian, is Manilla representative of the Asia Banking Corporation, which is a subsidiary of the Guaranty Trust Co. of New York.

WAGE FIXED ON ARTIFICIAL BASIS UNSOUND POLICY

Continued from page 1

total for the corresponding month last year. On first glance this statement would appear to indicate that the volume of trade had shrunk to that extent at least, but when it is considered that commodity prices have declined and that the buying power of the dollar has been increased since a year ago, to what extent, however, it is difficult to determine, the present situation appears in a better light. Commerce and Finance, discussing conditions in the United States, points out that the bank clearings for February are 21.5 per cent. under last year, while prices are fully 30 per cent. lower, thereby indicating that the volume of goods changing hands was as large if not larger than for the same period a year ago. The decline in commodity prices is not so far-reaching in Canada, but it is undoubtedly of sufficient extent to overcome the apparent discrepancy revealed by the clearing-house figures.

The turnover in many lines has been maintained, however, largely at the expense of profits, for in order to induce buying retailers have been required to cut prices to varying degrees. The stocks of the retail clothiers have been fairly well liquidated, and these dealers are now in a favorable position to buy and sell on the basis of present replacement costs.

In the West business conditions still continue markedly depressed. With many farmers holding a large part of their grain to await a return of higher prices, and in the fact that many have undertaken heavy obligations during the past season in the anticipation of a much greater revenue from their season's crops than has been actually realized, there is a dearth of ready cash, which continues to exercise an adverse influence on trade.

Building figures for February indicated some improvement over the previous month. Wages and hardware costs are important factors in this industry, and while hardware costs are slowly declining the reduction has not as yet been on a scale to make a material difference in the ultimate cost of construction.

The point has not as yet been reached, however, where there is definite evidence of a genuine and sustained revival in business. Retail trade undoubtedly shows some improvement, but this condition is not reflected to any appreciable degree in the industrial field.

FAVORS GREATER PRIVILEGES FOR FOREIGN BANKS

Involves the Status of Canadian Banks in the United States

LIFT RESTRICTIONS

Suggestion of Reciprocal Relations on Basis of Treatment Accorded American Banks in Other Countries

By ELMER H. YOUNGMAN,
Editor the "Bankers' Magazine," New York.

Many of the great banks of Canada and Europe, of unquestionable soundness, now maintain branches in New York and other American cities. Ought we not, both as a matter of international comity and of self-interest, give to these branches treatment equally liberal to that which we expect foreign branches of our banks to receive in the various countries in which they may be domiciled?

The Federal Reserve act now authorizes foreign branches of national banks having a capital of $1,000,000 and permits national banks to subscribe to the capital of special foreign banking corporations organized under State laws; and also creates a new type of foreign bank and investment institution—the Edge Law Corporations. Already, under these provisions, there has been a considerable extension of American banking enterprise and further important movements in that direction are now under way.

These foreign branches of our national banks naturally wish to be placed as nearly as possible upon a par with the local banks with which they must compete for business. To assure this, will it not be necessary for some of our States to relax somewhat the restrictions they now throw about branches of foreign banking institutions established in this country?

These restrictions, in New York and other States, narrowly limit the business of these foreign banks to foreign exchange and a few minor banking functions. In defining the kind of business permitted to branches or agencies of foreign banks, Section 146 of the New York Banking law says:

> "When the Superintendent shall have issued a license to any such banking corporation, it may engage in the business specified in the immediately preceding section of this article."

Referring to the preceding section, it is found that the business specified consists of the business of buying, selling or collecting bills of exchange, or of issuing letters of credit, or of receiving money for transmission or transmitting the same by draft, check, cable or otherwise, or of making sterling or other loans, or transacting any part of such business.

It will be observed that the permitted powers of this section do not include the two leading banking functions—the receiving of deposits and the granting of discounts—but Section 140 of the New York Banking law expressly prohibits the exercise of these functions by declaring:

> "No corporation, domestic or foreign, other than a national bank or a Federal Reserve bank, unless expressly authorized by the laws of this State, shall employ any part of its property or be in any way interested in any fund which shall be employed for the purpose of receiving deposits, making discounts or issuing notes or other evidences of debt to be loaned or put into circulation as money."

Reciprocal Relations

These restrictions apply to banks. Now let us see how an outside trust company would be welcomed by the State of New York. Section 223 of the New York Banking law, entitled "Prohibition against encroachments upon powers of trust companies," says:

> "No corporation other than a trust company organized under the laws of this State shall have or exercise in this State the power to receive deposits of money, securities or other personal property from any person or corporation in trust, or have or exercose in this State any of the powers specified in subdivisions one, four, five, six, seven and eight of Section 185 of this article (these are the general trust company powers) nor have or maintain an office in this State for the transaction of, or transact, directly or indirectly, any such or similar business."

Certain of our trust companies have established branches in London and Paris, and apparently have been well received. Why should not the banking laws of New York and other states be made more liberal, at least to the extent of establishing reciprocal relations? International banking is like international trade, in that it cannot be all on one side, but must be reciprocal.

Can we reasonably expect that other countries will permit our banks to enjoy unrestricted privileges on their shores while we continue to throw narrow restrictions around their banks operating here?

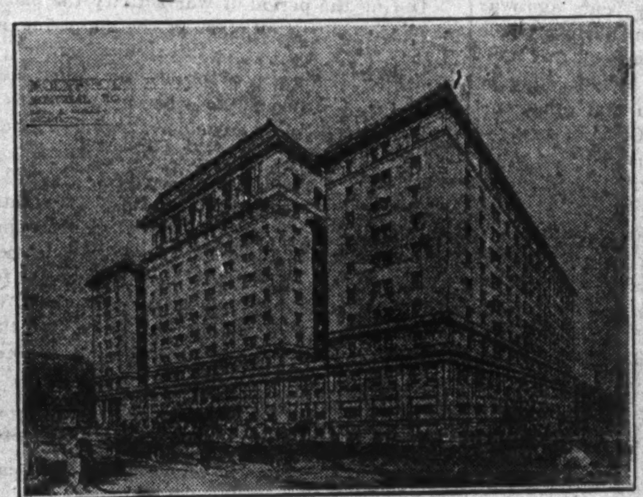
It is not desirable, manifestly, that we should relax our laws relating to foreign banks to an extent that would be an impairment of the safeguards deemed essential to all sound banking, or that would give these branches of foreign institutions any advantage over our own banks, but we might safely and wisely permit them much greater latitude in their operations than they now possess.

SINKING FUND TRUSTEES
CITY OF WINNIPEG

Features of 1920 Report

Total Assets	$11,824,062.16
Increase over 1919	1,367,092.32
Net surplus over amount required to be earned for period	385,448.35
Investment reserve now stands at	350,000.00
Application of surplus earnings to date:—	
Commutation of City of Winnipeg levies	590,444.52
City of Winnipeg Pension Fund	100,000.00
Surplus carried forward	84,042.60
Amount of City of Winnipeg debt taken care of by Sinking Fund Trustees by reason of application of surplus earnings	1,206,000.00
Average interest rate over	6¼%
Ratio of yearly expenses to assets	.079%

Trustees:
E. F. HUTCHINGS, Chairman
W. H. CROSS
F. O. FOWLER, Alderman
H. C. THOMPSON, Secretary.



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MANAGEMENT

The MOUNT ROYAL HOTEL will be under the management of the United Hotels Company of America. This is one of the largest and most successful hotel organizations in the world and at present operates 20 high-class hotels in the larger cities of Eastern United States and Canada. The record of the organization has been one of steady, successful progress and it is noteworthy that other hotels in the "United Chain" have paid dividends ranging from 10% to 25% within two or three years. Everything is being done to make the new MOUNT ROYAL HOTEL, the latest addition to the "United Chain", the greatest success yet achieved by the United Hotels Company.

Investors will find in the 8% Convertible Debentures of the MOUNT ROYAL HOTEL COMPANY LIMITED many attractive features that will appeal to them. Price: Par and accrued interest with a 40% Common Stock Bonus.

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TORONTO, MARCH 11, 1921

TAXING AGRICULTURAL PRODUCTION

IN making the suggestion before the Stratford Chamber of Commerce that a turnover tax be employed to replace the present excess profits and income taxes, J. F. M. Stewart argued that to relieve the farmer of all levies on his profits from production would be a benefit to agriculture, would encourage greater production and would indirectly benefit all classes in the community. Mr. Stewart is on the board of directors of several large corporations in Canada. He is prominent in the affairs of the Canadian Manufacturers' Association and some years ago was a very able secretary of that organization. His attitude reflects that appreciation of the importance of the agricultural industry, frequently expressed by the broader element in the C.M.A. as contrasted with that other element—represented by the activities of G. M. Murray—which by appealing to narrow prejudice, has done so much to make the manufacturers unpopular with the farmers, particularly in Western Canada.

Agriculture is our great fundamental industry. To increase the number of farmers and their spending power will develop the home markets for our manufactured products. Mr. Stewart's breadth of view on this question is in keeping with the attitude of Frank P. Jones in advocating that Made-in-Canada goods be sold on their merits rather than on sentimental appeal. They are both to be congratulated for their courage in taking a national viewpoint on these important public issues. If the Canadian Manufacturers' Association followed such a policy it would go far to remove prejudice against our manufacturing industries and the protective tariff.

DON'T DISCOURAGE THE OIL PROSPECTOR

THE regulations in connection with the staking of oil claims in Western Canada are still far from satisfactory in the opinion of experienced oil men. This being the case and the prospect being that exploration and development activities will be discouraged because there is not sufficient attraction for capital it behooves the government to give further consideration to the matter.

Objection is taken to the regulation necessitating certain drilling operations within fifteen months. It is pointed out that there are only about five drilling months in the year in the north country and that when the transportation of equipment requires such a long time there is no reasonable opportunity for testing out claims in the period referred to.

Then it is pointed out that the proposal of the government to take up three times the area granted to a successful prospector in the event of his making a strike is defeating the very purpose of the first regulation. The prospector is forced to drill in fifteen months so as to get quick action and then the government takes over three times the area with the evident intention of holding it indefinitely.

Oil men claim that the difficulties of prospecting in the North are not appreciated. The Imperial Oil Company is sending in three rigs in the spring and such are the transportation charges that it would cost $100,000 before this equipment is put on the ground. And it is significant that arrangements for this transportation had to be made months in advance. Otherwise, in view of the present situation, it is very doubtful if the company would have entered upon such extensive undertakings.

The government is quite right in planning to secure for the national treasury a portion of the wealth which may be produced from the great public domain of the North. But it is a short-sighted policy to endeavor to grab so much that the initiative of the pioneer may be dulled and capital scared off. A better course by far would be to offer the prospector and the capitalist every inducement to open up the country and then if the discoveries are such as hoped for take a reasonable royalty on the oil or other natural riches produced.

BOLSHEVISTS REVERT TO PIECEWORK

A STRIKING commentary on the theories and principles of Communism as set forth by the Russian Bolshevists is furnished by the news lately to hand from Russia that Russian industry has been compelled to revert to the old individual system of piecework. Not only has the minimum wage been raised in Petrograd for all branches of industry but a system of payment by piecework without any specified maximum has, by order of the Soviet, been established in all industrial organizations in Petrograd.

Could anything be more significant of the failure of Bolshevism or Communism when applied in actual practice than this backward step on the part of the Soviet to what must outrage their most cherished ideas to the utmost, seeing that payment by piecework was a device of the hated capitalists and has, therefore, been anathema to them? The whole idea of such a system of payment has been utterly antagonistic to all the ideals of Bolshevism. Under this system a man can with certain limitations earn just as much as his industry and ability enable him to earn.

The re-establishment of piecework must be regarded as a mortal blow to those Communist ideas according to which all material things including wages should in theory be equally divided between all members of the community, and no worker however industrious and clever or however lazy and incapable he may be can earn more or less than his fellow workers. In a word it has remained for the Communists themselves to prove the impracticability of Communism.

THE FARMER AND THE PACKER

WHEN J. Odgen Armour says that the millions of tons of food produced on the farms of America are the "foundation of our national prosperity" he speaks even more emphatically of the situation in Canada than in the United States. Likewise he describes the situation in this country when he argues the potential wealth of the farm can never become real wealth for anyone until it enters freely into the channels of trade; blocked in its course it becomes instead a waste and a source of enormous loss. Marketing then becomes highly important and in this connection he speaks of the part played by the packing house—a part upon which its usefulness must be appraised and its stewardship judged. He adds:

> It is an industry that takes one of the most difficult products the farmer has to market, at any moment he is ready to sell.
>
> It gives him prices which would be utterly impossible but for a marketing system that operates with phenomenal swiftness and directness.
>
> It pays him cash, which he may at once turn into other channels of trade, and thereby lend support to other industries of our country.
>
> On the other hand, it supplies the thousands of consuming centres of our land with food, at a minimum of intermediary charges.
>
> It is an industry that is large enough to distribute its risks; strong enough to take losses when need be, and yet go on with its work. Never was the function of the packing industry and its responsibilities to the needs of the nation better evidenced than during the year 1920.

During the period of war activity the packing industry played an important part in the supplying of foodstuffs to the troops as well as the civilian public. It did so on a very small margin of profit. No other industry did so much for so little and no other industry was more generally maligned by a misunderstanding public. "Packing" and "profiteering" became synonymous in many newspapers.

But in recent months some of the benefits of big, low cost, production have been more widely appreciated. As Mr. Armour points out: "People have sometimes feared 'big business.' They have not sufficiently feared its *absence*. It is the stabilizer of our economic life. The events of the past twelve months will stand for all time as the best refutation of the attacks of those ignorant of fundamental economic laws."

EDITORIAL NOTES

IT IS the duty of the government to create conditions under which the people will be encouraged to build their own homes rather than for the government itself to go into the construction business.

* * *

CHARLES H. SABIN, president of the Guaranty Trust Company, declares that the past year has "contributed materially to the cumulative evidence of the necessity for according fair treatment to the railroads and the greater efficiency of private ownership as contrasted with government ownership or control."

* * *

WHEN the Hydro press big-heads the statement that fifteen per cent. of the revenue of the province is to be contributed by Hydro Power the reader gets the impression that Ontario is receiving profits—until it is found that this is merely a portion of the interest on borrowings for Hydro undertakings which of course the government merely passes on to bondholders.

* * *

THE RECURRING charge that manufacturers plan to close their plants to break the labor market still crops up—as it did at London a few days ago—despite the fact that it was over two years since the signing of the armistice and there has been nothing develop to justify it. A few minutes' consideration of the question as to whether capital or labor would lose the more by such tactics will provide the simple answer.

* * *

Alberta, complains that the banks are curtailing loans to the farmers. He says that "the result is that we will have to sacrifice our grain." Many farmers are being disappointed in that they are not getting for their wheat what they expected. Those who sold first got the best returns on their investment. It would seem, therefore, that the banks did the farmers a favor in those cases where immediate sales were urged.

* * *

SUPPORTING statements by bankers in THE FINANCIAL POST regarding the workings of the rural credits legislation in Western Canada the Winnipeg Tribune points out that of the money loaned to such societies in 1918 $20,000 is still outstanding while of the loans in 1919, $205,000 is still unpaid. It rather weakens the statements of Hon. Edward Brown and others that Manitoba has not lost a cent on rural credits to find such large sums outstanding; these sums may or may not be eventually paid.

* * *

THE very points made in this column last week regarding the effect of the removal of the embargo against Canadian cattle in the British market are being strongly advanced by the British packing interests. If the removal of the embargo will be in the interests of the British packer then it will be against the interests of the Canadian packer. The following statement by Harry Ross, the Abattoirs, Cattle Market, Islington, is typical of the campaign being conducted on the other side:

> Take the embargo off Canadian Fat Store and Milch Cattle and you give employment to tens of thousands of men and women in England, your lands will be naturally fertilized, your home-killed meat would cost you 33 per cent. less than now, your tanneries, leather, glue, fat, bone, oil and numerous other trades would open up to utilise the by-products of slaughtered animals and give employment to countless unemployed. Every piece of frozen meat imported into England is a manufactured article.

Preparing for a Big Rush to the Northern Oil Fields

Steps Which Have Been Taken by the Government—New Regulations Now in Effect—Prospectors are Active

From Our Own Correspondent.

OTTAWA.—Just twenty-five years ago the whole world was aroused by the story of the discovery of fabulous wealth in the Klondike; and for some years thereafter the almost inaccessible river beds and benches of the Yukon were the lodestone which drew adventurous gold seekers from all parts of the earth. Many great fortunes were made in what the Indians called the land of "too much gold"; and far more were lost, and many lives along with them, in the gamble with the relentless north. Now once more from the barren places of Canada comes the call of the prospector to try another throw with fortune. This time it is oil; and judging from the preparations being made to be in on the game when the ice breaks on the great lakes and rivers in the Mackenzie district in the late spring, the Yukon will have little or nothing on the Mackenzie. "There's a big time coming in the west in the spring," says one of the western general passenger agents of the Canadian National Railways. "The rush to the oil fields on the Mackenzie River will be one of the landmarks in Canadian mining history; and the Mackenzie will probably do for Edmonton what Dawson and the Yukon did for Seattle."

It is well-known that Canada never got out of the Yukon, either in the gold won or in the "by-products" of the outfitting and other trade, anything like what she should have got. This was largely due to the fact that the cities of Vancouver and Victoria were not awake to their opportunities, while Seattle was. Seattle, therefore, took the cream of the immense outfitting and supply business. Canadians, also, seemed slower than their neighbors to realize how great was the treasure waiting to be wrested from the frozen north; so that, while a number of Canadians made fortunes on their own territory in the Yukon, the bulk of the big clean-ups was made by Americans. It was a fair gold field and no favors which the Canadian Government threw open to the world, and in which it spent great sums in establishing civil government and maintaining the majesty of British law among a population which expected that there "would run no law of God or man" north of sixty.

The Mackenzie Strike

Towards the close of navigation last fall word filtered out by moccasin telegraph that a big oil strike had been made on the Mackenzie River. Later on accurate information was received by the Natural Resources Intelligence Branch of the Dominion Government that what looked like an important discovery had been made at a depth of 800 feet by the Imperial Oil Company.

The report of the Imperial Oil Company was sufficiently conservative. While the company shows no particular desire to "hog" the find, it is naturally not anxious to encourage anything in the nature of a rush or a boom; but the boom is on the way, whether or no. The report on the strike issued by the official in charge of the company's prospecting activities stated: "Well is very encouraging, and while somewhat overrated by the press renders the hope that prospecting of the area will result in sufficient production being obtained in a few years to warrant the development of some transportation scheme whereby the production can be utilized." Unofficial reports were to the effect that the flow would amount to from one to two thousand barrels per day. It was enough. If the clammy hand of winter had not closed down upon the territory, the rush would have been in full swing ere now.

The information which reached the Government as to the nature of the new discovery was apparently regarded as highly important. Officials of the geological survey had long been aware of the extent of the oil-bearing territory, but it had been allowed to lie fallow, awaiting the fertilizing hand of capital. In 1917 a proposal for development was made by the Shell Oil Company, the great British concern, which the Government at first considered favorably but afterwards turned down. The Shell Company asked for exclusive right to prospect for oil north of the Athabasca River in Alberta and the Northwest Territories for a period of five years, during which period they were to prospect and develop the territory, releasing so much to the public again each year, and at the end of the period were to limit the amount they could take up to about twenty-five or thirty thousand acres. For this privilege they agreed to spend all the money necessary on geological and other surveys, build any necessary railway or pipe lines, and to transport oil for others at rates to be fixed by the Government. After a profit of six per cent. on their investment, they agreed to split any further profits fifty-fifty with the Govenment. A Canadian company was to be formed on which the Government might appoint any number of directors, although control was to remain in the hands of the Shell Company. When this proposal was refused by the Government, the Shell Company withdrew from the field, and are not likely to come in again unless large discoveries are made.

Rumor had it that the Standard Oil's Canadian subsidiary, the Imperial Oil Company, busied itself in lobbying against the Shell proposal. At all events, it began to prospect in the north soon afterwards and made the strike at Fort Norman as above mentioned. Now the Imperial is one of those protesting against the new Government regulations.

Regulations Suspended

Towards the end of January, 1921, the Government suddenly announced that all oil and gas regulations in the Northwest Territories were suspended, and threw consternation in the hordes of prospectors who were outfitting in the north or actually in the field. The official announcement made when the regulations were suspended noted that the reported discovery of an immense oil-bearing territory in the Mackenzie River district, estimated to cover an area of 150,000 square miles, had for some time been receiving the attention of the Government. "There is reason to believe," it added, "that oil has been found in large quantities, and indications are that this district may soon become one of the greatest oil-producing areas in the world. The importance of such a discovery to this country cannot be over-estimated, and the Government is watching the situation very closely. On the recommendation of the Minister of the Interior, an order-in-council has been passed suspending all previous petroleum and natural gas regulations in so far as they apply to the Northwest Territories, the reason given for this action being that the Government considers the recent discovery of national significance and that the conditions are now the subject of careful inquiry."

The suspension took effect as from January 19; but some of those waiting in the north were not aware of this, and, believing that they could get to the ground and locate before the word reached the Government agents in the north, started on a race against time, only to find that they could not hold land staked after the 19th.

Government to Share

Although there were numerous complaints regarding the Government's action, it was dictated by a desire not to be caught napping as they were to a great extent at the time of the Yukon discoveries. Probably one of the ablest men in the present administration is Sir James Lougheed, Minister of the Interior, on whose advice the regulations were withdrawn. An Alberta man himself, he is thoroughly conversant with the situation in the north, and was determined that, if great wealth in oil existed there, the Government was to get an adequate share of any results which might accrue from its exploitation. He was anxious, also, that the tragedies of the Yukon, where untold hardship and suffering ensued from the rush into the country of men improperly equipped and with no knowledge of the conditions which awaited them, should not be repeated.

Further than that, the recollection of the oil boom in Alberta in 1914, which was largely a wild-cat proposition, was fresh in his mind. The minister made the statement that, so far as the Government was concerned, it proposed to do everything in its power to see that wild-catting and exploitation of the public should be made as difficult as possible, that legitimate prospecting should be encouraged and that the state should duly benefit from any discoveries made. The new regulations are devised with this end in view.

The New Regulations

Briefly, the new regulations provide for the issue of two forms of title: first, a permit to prospect for oil and gas over a maximum area of 2,5[illegible] acres (1,920 acres under the old regulations) for a period of four years; and, second, in the event of discoveries being made, a lease of one quarter of the area covered by the permit at a rental of 50 cents an acre for the first year, and [illegible] an acre for the second and third years, with a royalty to the Government of five per cent. for five years and ten per cent thereafter. An adequate drilling outfit must be installed on the location within two years from the date of the permit; drilling to a depth of at least 500 feet must be conducted during the third year; and to an aggregate depth of at least 2,000 feet during the fourth year. On failure to comply with the regulations the permit automatically lapses. The permit terminates upon discovery, whereupon the permittee may stake out in a square block one-quarter of his location and obtain a lease, the balance becoming a crown reserve.

The Government has been guided largely by consideration of the regulations in effect in other oil-producing countries, particularly the United States, and more particularly Alaska, where the climatic and transportation conditions are somewhat similar to those in the Northwest Territories; but in view of the fact that a discovery of oil has already been made in Mackenzie, the regulations are somewhat less generous than those of Alaska.

Those who had staked claims or applied for leases under the old regulations will be protected by adapting their claims or applications to the new conditions. So far as the new regulations can be read on their face there will be a fair field and no favors with ample opportunity for all serious prospectors.

History of the Field

The history of the new Oildorado, as some wag has called it, is not uninteresting. Geologists have known

Continued on page 19.

PERSONALS

J. FRASER MACDONALD, of Toronto, formerly conected with Sterling Trusts Corporation, has become associated with the Messrs. Beemer & Clarkson, real estate, financial and insurance brokers. This firm is at present located in the Confederation Life Building, but will shortly move to quarters in the Excelsior Life Building. Mr. Macdonald will direct his attention to the buying and selling of residences and residential lands.

C. E. DUNCAN, general manager of the Algoma Steel Corporation, Sault Ste. Marie, died recently following an operation for appendicitis. He was forty-eight years of age and was born in Chattanooga, Ten. He learned the steel business in the Homestead works of the Carnegie Steel Corporation, where he mastered every branch of the trade, and in time became recognized as an authority throughout the United States and Canada. He first joined the Algoma Steel Corporation in 1919 as general superintendent, and worked in that capacity until 1915, when he entered the service of the United States Government as adviser in large plants. When the late David Kyle died last spring Mr. Duncan succeeded him as general superintendent of the Soo mills.

WM. CLARKE, of Toronto, prominently identified with the pulp and paper industry of Canada, died recently at his home in Toronto. Mr. Clarke was [illegible] years of age, and was born in Toronto. During his early life he was engaged in the business of a builder and contractor. He first became interested in the pulp industry in 1900 when he, along with his brothers, purchased timber limits having an area of some 1,000 square miles, and situated some hundreds of miles below the City of Quebec along the St. Lawrence River. The Gulf Pulp and Paper Company was formed for the purpose of developing the resources of these limits and the town of Clarke City, which is now a community of several thousand people, was founded. The Gulf Pulp Company was recently sold to Lord Northcliffe.

ARTHUR GRAVELLE, who has been appointed Canadian representative for the Dillon Lock Works, of Fort Dodge, Iowa, evidently has still a kindly feeling for "burglar proof" locks. For it was he who twenty-two years ago took a trip from his editorial desk in the Renfrew "Journal" and proved the sensation of a most sensational case all through—the Ponton trial at Napanee. In this famous case Mr. Gravelle, who had made mathematics his hobby demonstrated that a three- or four-wheel combination lock could be opened without a previous knowledge of the numbers on which it is set, and, what is more, he contended that the safe that was robbed in the Napanee bank could be opened by several thousand other sets of numbers than the one that was generally used. His evidence freed Ponton.

A Toronto newspaper in an article published Dec. 10, 1898, stated that his claims were treated as "preposterous and quite amusing," and that one of the Pinkerton detectives observed, "if he can open a safe without knowing the combination why don't he accept the standing offer of the safemakers and take that $5,000?" The reply by a by-stander was: "Well, he can earn that $5,000 in about eleven minutes. I saw him open a safe in Peterboro one day, and he wasn't in the same room as the safe for more than fifteen minutes.'

Since that time Mr. Gravelle has frequently been called in to open safes that seemed to defy other men. Mr. Gravelle founded the Renfrew "Journal" in [illegible] when about 30 years of age. It is a curious coincidence that one of his sons, Roy, has acquired the father's lock [illegible] and is now engaged in opening [illegible] in the devastated areas of France.

Invest An Hour

The wide-awake investor will frequently take the time to look over his holdings. He will consider the possibilities of profitable sales or exchanges and when funds have accumulated he will promptly purchase additional securities.

In many cases early maturing securities can be sold or exchanged for long-term securities to excellent advantage.

To-day the highest class of investments—Government and Municipal bonds—can be procured to yield handsome returns, though there is now a strongly upward trend in prices.

An hour with your investment matters may prove extremely profitable.

Our thirty years of investment experience are at your disposal. We shall be pleased to supply lists of available securities and to give suggestions.

A. E. AMES & CO.

Investment Securities

UNION BANK BLDG. - - - TORONTO
TRANSPORTATION BLDG. - MONTREAL
74 BROADWAY - - - - - NEW YORK
BELMONT HOUSE - VICTORIA, B.C.
HARRIS TRUST BLDG. - - CHICAGO

Established 1889

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

INSURANCE TAX

Enquirer, Halifax.—Will you please advise whether or not insurance policies issued in Canada by United States companies, in the event of their becoming a claim, are subject to a tax by the United States Government.

Insurance policies issued in Canada by United States companies are subject to a tax by the United States Government in the event of their becoming a claim.

UNION BANK

Enquirer, Cookstown.—Would be glad of information regarding Union Bank stock.

Since the beginning of the year Union Bank stock has moved up from 142½ at the outset to a high of 160 and down to the present quotation of 157. At this price this stock, which bears dividends at the rate of 10 per cent. per annum, offers a yield of approximately 6.37 per cent. The improvement in this stock is due largely to the very favorable annual statement issued some weeks ago, and to the fact that there has been a decided turn to the investment securities during the period of market depression, which has not yet reached the end. There does not appear any reason why this institution should not continue to enjoy the same prosperity as in the past, and we believe that you would find the stock a satisfactory investment, although banking profits generally will probably show some contraction in the future.

NORTH AMERICAN PULP

H., Bridgewater, N. S.—I bought outright 100 shares of North American Pulp & Paper common stock some time ago, which nets me $8.10 a share. Would you advice me to exchange it for Saguenay stock rather than sell at $6 a share?

We quite agree that it would be better probably to change North American Pulp common shares for shares in the Saguenay Pulp & Power Co. For each ten shares of North American Pulp you would receive two shares of preferred stock and eight shares of common stock. We think this would work out in the next year or two more to your advantage than accepting any cash offer, such as has been mentioned, of $6.00 per share for North American Pulp stock. For some time to come the value of the common stock of the Saguenay would be problematical and you would not receive as much for your preferred either as if you held it for a year or two. The annual statement of the company will be appearing in a very short time and the earnings should show more than double those of 1919. We understand that there is a movement to list both the preferred and common stock of Saguenay and this would at once establish a market and a definite price for both classes of securities.

AMES HOLDEN PULP

W., Calgary.—Has Ames Holden preferred at about 25/30 a good long distance chance or is this too much of a gamble? Would you advise buying some on prospect of dividend in future being increased?

We could hardly advise you to purchase Ames Holden preferred even around $30 a share. It would appear that this company has a long pull ahead of it and while the corner would appear to have been turned successfully during the past couple of months there is no certainty of a dividend being resumed on the preferred stock for a considerable time.

MARGINAL DEALINGS

G. N., Toronto.—Can a stock broker sell three-quarters of my holding without my permission. I have only $3 margin in it and I was well informed that my account was short of money.

It does not appear that you have been treated unfairly in the market transactions to which you refer. The stock broker of course reserves the right to protect his own interests in all cases of trading on margin, and he may accordingly exercise his privilege of requiring his client to keep up his full margin no matter the extent of the decline. For example, if a customer holds stock on 10 per cent. margin and the price moves down one point, the broker is quite within his rights in calling upon the investor for sufficient cash to keep up the margin. If the stock should move up again the extra payment would be refunded if it were desired. New York brokers who handle a great many accounts exert a great deal more caution in this matter. In the case you refer to your equity in the stock had been reduced to a narrow margin, and if the stock were speculative in any degree, not only was there a possibility of the margin being entirely wiped out but the broker himself would run the risk of losing.

ANACONDA GOLD MINING

Enquirer, Riceton.—Will you kindly favor us with a report on the financial standing of the Anaconda Gold Mining Co., Lead, South Dakota?

We are informed that the Anaconda Gold Mining Company is endeavoring to interest new capital in the enterprise and operations have been tied up until such time as fresh capital is available. The mine office of the company is located at Roubaik, South Dakota, and the head office in Minneapolis. The company is capitalized at $1,500,000 of $1 par value, and the stock is half preferred and half common. Some 34 claims of an area of 685 acres are held in the Roubaik district near Deadwood, and these carry gold quartz, which has so far averaged $8 to the ton. A shaft has been sunk to a depth of 340 feet on the property and some crosscut work has been completed. The plant is equipped with steam power and a compressor, but as pointed out above is not operating at the present time. We are informed that there is no market for the stock.

PUBLIC UTILITY BONDS

S. M. G., Edmonton.—Would you please give me your opinion as to the following: Montreal Water & Power 5's 1932; Northern Ontario Power 6's 1931; Quebec Railway bonds; Canada Light & Power 5's, 1949. These all give a high yield, but before investing in any, I desire to find out prospects for continuous payment of interest and eventual return of the principal.

Before discussing in detail the bonds you mention, it might be well to state that it can generally be taken as a cardinal principle of investment that a high yield is usually obtained at the expense of absolute security; and in industrial or public utility bonds there is usually a reason for an exceptionally high yield.

Montreal Water and Power.—This should prove a satisfactory purchase. The company's franchises are of long term, and they include the privilege of water supply in several Montreal suburban districts. Earnings are not quite double bond interest and have declined slightly in each of the past few years.

Northern Ontario Power.—This company is largely dependent upon the mining industry in northern Ontario, and for that reason the bonds are not exceptionally well regarded. There is a certain speculative element present in the bonds but at prices they are offered at the investor who is willing to accept this element of risk has a good opportunity. But the bond cannot be classed as an A1 investment.

Quebec Railway Bonds.—This utility has not been making ends meet and its bonds are slightly speculative.

Canada Light and Power.—This is a subsidiary of the Montreal Light, Heat and Power Company and the bonds should be a good purchase.

INDUSTRIALS

D. W., Saskatchewan.—I should be very grateful if you would give me your advice on the following: Is it possible at the present time to invest in industrial securities with reasonable safety to yield 10 per cent.? If so, I should be obliged if you would suggest a few investments along this line. What is your opinion of Canadian Car & Foundry 7 per cent. preferred; Dominion Iron & Steel 5's; Dominion Steel 6 per cent. preferred; Can. Steamships 7 per cent. preferred; Wayagamack Pulp & Paper 6's; Canada Cement 7 per cent. preferred?

There are a number of industrials now offering a yield of 10 per cent. or better, but it is well not to overlook the fact that when the high yield arises out of the low market valuation of the stock there is an element of speculation present which renders such securities unattractive to the cautious investor. Among the stocks now offering fair assurance of a continuation of the present dividend rate may be mentioned F. N. Burt common, which carries dividends at the rate of 10 per cent. payable in New York funds; British Columbia Fishing, with a dividend rate of 6 per cent.; Brompton, 7 per cent., and Steel of Canada common, 7 per cent. We would also suggest King Edward Construction preferred, which carries a bonus of 30 per cent. common, together yielding under the present dividend arrangement a yield of about 11 per cent. With the possible exception of Canada Steamships preferred, we believe the list you submit to be a strong one. Other securities we would suggest are the following: Canadian General Electric preferred, Steel of Canada preferred, R. Simpson Company preferred, Canadian Locomotive preferred, Mackay preferred, Penmans preferred and Maple Leaf preferred.

CONSOLIDATED DISTRIBUTORS

Enquirer, Rathwell.—Please favor me with your opinion regarding the Consolidated Distributors, Ltd., of Winnipeg. Would you recommend an investment of say $1,000 in above concern?

We would not care to recommend Consolidated Distributors, Limited, of Winnipeg, as an investment. We understand that this company has suffered to some extent during the present business depression, and has more than used up the profits for the past year in providing for bad debts and in the reduction of stocks, and in the readjustment the company's capital has become slightly impaired. The company under normal conditions does a comparatively large business, the turnover running up to $175,000 or $200,000 per annum. The management is aggressive, and this fact augurs well for the future, but under existing conditions there would appear to be more favorable channels of investment elsewhere.

SPANISH RIVER

Enquirer, Espanola. — I would be obliged if you would advise me what would be a good investment for $500 or $1,000 for not too long a term, safe and with a fair return. A friend suggested Spanish River Pulp and Paper Mills 8 per cent. general mortgage bonds as an investment. What do you think of it?

Victory bonds, or a good municipal debenture, to yield about 6.25 per cent., would be the best investment for a person in your position. Spanish River Pulp and Paper Mills, Ltd., 8 per cent. general mortgage bonds, while not as well secured as a Government or municipal bond, is a sound investment and would make a good purchase for you, especially as you are an employee of the company.

LOTTERIES

Enquirer, Langenburg.—While it is unlawful to conduct lotteries in this country, I would like to be advised if it is lawful for a Canadian to dabble in foreign lotteries, such as the Danish Colonial Lottery.

We would refer you to section 236 of the Criminal Code, and sub-section 2, which provides a penalty of $20 for the purchase of tickets or chances in lotteries, and sub-section 5 prohibiting the sale of foreign lottery tickets in Canada.

McEACHERN & SONS

H. B., Guelph.—I would be glad of your advice regarding N. W. McEachern & Sons as an investment.

While it would appear that the firm of W. N. McEachern & Sons has been doing a good business there are hazards entering into the building trade which remove the stock of this company from the category of gilt-edge investments. The subscribed stock amounts to $162,000, and for the period 1918 stockholders received a dividend at the rate of 8 per cent., and for 1919 at the rate of 6 per cent. We are informed that the statement covering the operations for 1920 has not been prepared and no allotment for dividends is yet announced. This firm is engaged in the business of erecting houses for others under contract, and also to some extent construction is carried on on its own account for speculative purposes.

SWIFT CURRENT

Enquirer, Markdale.—Having noticed some mix-up in the finances of Swift Current, and as I hold a bond on the above city would you advise me to sell or wait for results?

We do not believe you could find a market for your Swift Current bond without cutting the price to a sacrifice figure. Your best procedure would be to await the outcome of the negotiations now going on in regard to the untangling of the city's finances. The city seems determined to meet its obligations, and we do not believe that the bondholders will lose much. However, as a bondholder you should keep in touch with the situation and protest strenuously if any attempt is made to cut down your interest payments, as was done in the case of Prince Albert.

EXCHANGE

Enquirer, Richard.—Do you think there is any likelihood of the sterling rate of exchange becoming normal withing the next three months?

Taking into consideration the movements in sterling exchange during the past year and up to the present time, we consider it improbable that sterling will be back to normal within the time limit you suggest.

CURRENT OPINION

WHAT BECOMES OF MONEY NOT SAVED

Thrift preaching is heard to an increasing extent, even if thrift practice fails to grow in commensurate volume. But if we do not practice thrift, what happens? The money not saved certainly does not pass out of being. It passes into other hands. The use made of it after such disposition is what becomes important.

We are told that the gullible people of America lose several hundred million dollars a year in wildcat investments. They lose it directly. The country loses it indirectly, for the reason that it is scattered instead of being made available in concentrated form for useful development. The amount thus dissipated, if we follow the rule of general assumption rather than one of definitely ascertainable fact, goes into extravagance, not in the building of reserve. If saved, in the general sense of the term, it would find its way into banks or promotive channels, thus broadening the space and activity of industry.

Perhaps the abstraction of this wealth through the glittering lure of extravagant promise is but a diversion of it, for the money is really expended again. The weakness of this view lies in the fact already stated, that there is dissipation rather than concentrated or combined use. What happens to it is of little consequence to the owner who has parted with the sum. His state or condition is not improved by the knowledge that the money squandered might have been used to lift a mortgage, or placed in a good substantial investment, or laid away as a nest egg in the local bank. He is poorer and the community is poorer. Whether loss on the one hand is offset by the new prosperity that has come to some white-light district in a distant city, which usually is the fruition of a wildcat stock selling scheme, is a matter that will not be discussed here. It would be a lame defense at best.

HENRY FORD ON WALL STREET MONEY

New York World.

Henry Ford's objection to Wall street money seems almost to amount to a prejudice. "If I really did want money," says the Detroit manufacturer and social reformer to the correspondent of The World, "I could get all I wanted from other sources, and before I'd deal with Wall street I'd tear down my plant, brick by brick, with my own hands."

Yet Wall street money is no worse or better than North Dakota money. It is other people's money, and a good part of it is corn-field money sent East by rural bankers for a little sea air and the benefit of higher interest rates. It does not smell merely because it happens to be in Wall street, and in fact it is kept there under the best sanitary conditions.

But assuming that it has become a vermin-carrier in the process, what better method is there of fumigating it than by putting it to the uses of automobile manufacture in Detroit? As it is, a considerable percentage of Wall street money is already engaged in the improving occupation of aiding productive industry, and the best means of purifying the rest is to encourage that use.

Henry Ford, indeed, in his attitude toward Wall street money is already engaged in the improving occupation of keep it out of the clutches of malefactors of wealth and purge it of dross is to remove it from their reach. Instead of boycotting it he should welcome it into the fold and give it the elevating advantage of associating with Michigan money. Even the Socialist finance of North Dakota has come to recognize the fact that the money of Eastern plutocracy may be serviceable in a pinch. The vilest of money could be cleansed of all taint if it served the benevolent use of keeping Ford's factory going.

RSC INVESTMENT - SERVICE

Industry—
The Parent of Progress

IT IS curious that in times of temporary business depression inexperienced investors sacrifice industrial investments, which are the basis of all wealth, and put money into non-productive enterprise.

For example, they will sell perhaps the bonds of a well-managed iron and steel or textile company and invest in a municipal bond, the proceeds of which may, or may not be, used productively.

The latter securities are, in nine cases out of ten, perfectly good; yet they would be valueless were it not for industry.

World progress depends upon industry. Agriculture is industry. All production is industrial.

How unwise, therefore, to sacrifice one's industrial investments at a time such as the present.

We are passing through a period of world readjustment, but industry cannot collapse — it is fundamental, and, as for Canada and her industries which are soundly based, they cannot help but prosper.

The pendulum always swings too far, and the inexperienced investor too often lets go just before the upward swing begins.

Learn to distinguish between the intrinsic value of your mortgage investments and investments in stocks which are not mortgages, but equities of fluctuating value ranking junior to mortgages. Stocks are equities inferior in security to mortgages; consequently they fluctuate widely with changing business conditions.

The history of industry teaches this, and almost every investor's memory is long enough to recall the truth of it.

This is the time of times to buy sound industrial bonds with high income yields. Write to us for our list.

Royal Securities Corporation
LIMITED

Montreal Toronto Halifax St. John Winnipeg
Vancouver New York London, Eng.

We Own and Offer

$40,000
Dominion Iron and Steel
1st Mortgage 5's
Due July 1, 1929

To yield 8%
Listed Montreal Stock Exchange

Write for particulars

Greenshields & Co.
INVESTMENT BANKERS
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Ability for Service in Victory Bond Transactions

No matter how small or how large your orders may be, you will find, by placing them through our Victory Bond Department, that they will be carried out with a promptitude and accuracy that is pleasing.

Telephone orders particularly solicited.
Confirmation made same day.

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Canadian Pacific Railway Bldg.
Toronto

Saskatoon
New York
London, Eng

We are at all times prepared to buy

Western Municipal and Government Bonds
and
Bonds Suitable for the American Market

Royal Financial Corporation, Limited
Capital Paid Up $592,928.53

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Province of Ontario
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Due February 1, 1941
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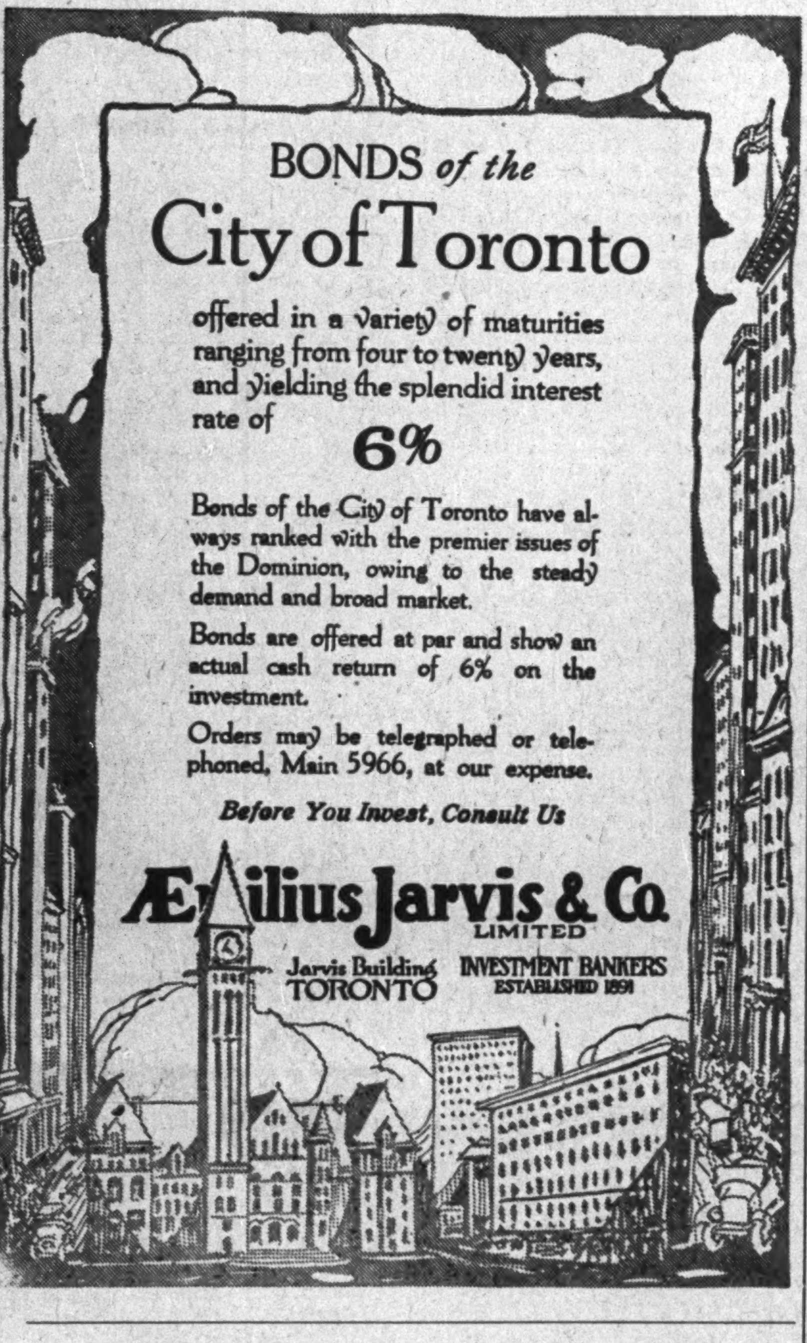

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offered in a variety of maturities ranging from four to twenty years, and yielding the splendid interest rate of
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Bonds of the City of Toronto have always ranked with the premier issues of the Dominion, owing to the steady demand and broad market.

Bonds are offered at par and show an actual cash return of 6% on the investment.

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Price—Maturities 1922-1929—Rate to yield 6.20%
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These are 1st Mortgage Debenture Bonds, payable both as to Interest and Principal in New York funds. Interest dates First January and June. Now offered in denominations of $1,000.

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NEWS OF THE BOND MARKET

CIVIC CAR LINES IN TORONTO HAVE EATEN UP TAXES

Records Show Too Low Fare Has Cost City $1,500,000

FARE IS 1.7 CENTS

At the Present Time Civic Car Lines Are Not Paying Operating Charges

Toronto's civic car lines have cost the city nearly $1,500,000 in the few years they have been in operation. This has not been due to any lack of patronage or to the fact that the lines were improperly laid out, for the traffic on the four civic car lines in Toronto is tremendous and they give a good service in four congested areas. But since the lines were put in operation they have been operated on a 2-cent fare, with six tickets for 10 cents—the average has been 1.7 cents a ride—which has been barely sufficient to pay operating charges, without allowance for fixed charges and depreciation.

Consideration of the problem of the Toronto civic car lines is being shelved by Toronto city council on the ground that all street car lines in the city will be unified in a few months when new schedules of fares and car routes will be worked out. But if the mistakes of the past and present are not to be perpetuated consideration should be given by Toronto business men to the problem of the civic car lines. And not only in Toronto are there similar problems. In dozens of cities from coast to coast public utilities are being operated at an ostensible profit, that is shown to be a loss when interest on bonds, depreciation charges, etc., are deducted from the gross earnings.

The civic works estimates of Toronto now issued reveal that an estimated loss of $229,957 will be suffered on the Toronto civic car lines during the eight months of the year they remain under the control of a civic department and before they pass into the hands of the newly appointed transportation system. The loss on the lines will by that time total about $1,500,000. The financial results of operating the lines have been as follows:

Year.	Expenditure.	Receipts.	Deficit
1911..	$ 39,016.98	$	$ 39,016.98
1912..	88,168.43	1,073.00	87,095.43
1913..	144,219.12	59,556.87	84,662.25
1914..	251,644.93	166,999.88	84,645.05
1915..	304,257.30	199,288.90	104,968.40
1916..	305,802.80	224,944.69	80,808.11
1917..	396,471.54	278,345.86	118,125.68
1918..	464,185.97	333,881.79	130,304.18
1919..	....	....	146,220.00
1920..	543,571.00	767,271.00	223,700.00
*1921.	419,455.00	649,412.00	229,957.00

*8 mos. estimate.

There has never in the nine years of operation of the lines been any serious attempt to remedy the existing state of affairs although the ratio of operating expenses has continually risen. For instance, in 1918 when the average car fare was 1.68 cents the operating expenses were 1.30, leaving .38 cents for debt charges. In 1920 there was actually an operating deficit of $16,000.

Those using the lines have had transportation at less than cost with the general mass of the taxpayers making up the deficit. Every attempt to raise the fares has been blocked by politicians of ward-wide vision at the city hall.

PAPER FIRMS HAVE BORROWED HEAVILY

Issues to Date Total $11,000,000 With Another Under Way

The estimate, made in THE FINANCIAL POST three weeks ago, that the immediate requirements of the Canadian pulp and paper companies would be about $20,000,000, seems to be proving to be approximately correct. During the past few weeks the pulp and paper companies have borrowed in the way of bond issues $11,000,000, while a further issue of $2,500,000 of bonds is forthcoming from the Brompton Pulp & Paper Company.

Another important corporation issue has been the Shawinigan Falls issue of $2,500,000 of bonds, sold in the United States this week.

The six pulp and paper company bond issues arranged are as follows:

Port Arthur Pulp & Paper Co..	$1,000,000
Spanish River	3,000,000
Abitibi	4,000,000
Howard Smith	1,000,000
Fraser Brothers	2,000,000
Brompton ...... $3,000,000 or	$2,500,000
	$13,500,000

GIVING THEM A TIP

Not very long ago one of the smaller Canadian cities sold a large block of bonds at a price that made the ordinary looker-on open his eyes, and which gladdened the heart of the city's financial officers. Various explanations were offered for the high price received, but the real reason has not been told before.

In the city council is an alderman who in private life dabbles in bond issues himself considerably. Seeking light on the present issue, the representative of the metropolitan house of A. & X. strolled casually into this man's office and asked him if he were bidding on the issue.

"No, I can't bid because I'm in the council, but"—leaning over and whispering in the A. & X. man's ear—"I happen to know that the Q. R. C. Bond Corporation is bidding on a very narrow margin off a 6 per cent. basis for these bonds. You'll have to shave your price to get the issue."

The A. & X. man went out and not long after in walked the Q. R. C. Bond Corporation's representative looking for information. The alderman-bond merchant told him confidentially that he happened to know that the A. & X. people were bidding just a little bit off a 6 per cent. basis.

During the day representatives of several bond houses called in the same office and the alderman gave each one—in confidence—a tip on the issue.

When the tenders were opened, it was found that every house had "bid its head off" to get the bonds. The bids were off a 6 per cent. basis, but the margins of profit were the closest on record.

FROM GLACE BAY TO CRANBROOK, B.C.

Three Issues Bought by Brent, Noxon and Company

Brent, Noxon & Company, of Toronto, have purchased, either direct or through local agents, three Canadian municipal bond issues.

From the town of Glace Bay, N.S., $25,000 of 6 per cent. school bonds running for thirty years have been purchased. Glace Bay is the centre of the Dominion Coal Company properties.

City of Cranbrook, B.C., bonds to the amount of $30,000 have been sold to Brent, Noxon & Company and an additional $30,000 of bonds have been sold to another purchaser. The issue consists of twenty-year 6½ per cent bonds.

The same house bought $25,000 of 6 per cent. twenty-instalment town of Cochrane debentures.

MARITIME CITIES GET BEST PRICES

Proven Again in St. John Sale—Strong Absorption Power Locally

St. John, N.B., has disposed of an issue of $54,000 of its bonds to the Eastern Securities Corporation of St. John and Halifax at 99.55. At this price the city paid about 6.04 per cent. for its funds as the bonds bear 6 per cent. and are for 25 years.

St. John, Halifax, New Brunswick and other eastern cities and provinces are able to sell their bonds at higher prices than larger cities and provinces, such as Hamilton, Toronto or Ontario. The reason is that Maritime bonds are nearly always sold in the Maritimes. The investors of the Atlantic coast provinces eagerly absorb their own securities and the cities and provinces there benefit.

The bids received were:

Eastern Securities Corp.	99.55
Dominion Securities Corp.	98.145
Wood, Gundy & Co.	97.89

NEW TORONTO ISSUE OF $58,000 IS SOLD

Twenty Year Bonds Sold To Dominion Securities Corporation

Debentures totalling $58,000 were sold by the town of New Toronto this week. The bonds, which bore 6½ per cent. interest and are for twenty years, were disposed of to the Dominion Securities Corporation at 99.641.

New Toronto is near Toronto, on the Toronto-Hamilton highway. It is a growing industrial community.

Tenders received were:

Dominion Securities Corp.	99.641
Turner, Spragge & Co.	98.17
United Financial Corp.	96.03
R. C. Matthews & Co.	97.08

MANITOBA'S $500,000 ISSUE GOES SOUTH

National City Co. Buys Bonds For Sale in United States

Since the end of January there have been no provincial bond issues in Canada, and the Manitoba issue of $500,000 sold this week went to the United States for disposal to investors in that country.

The Manitoba issue consisted of $500,000 of five year five per cent. bonds, brought out to raise funds for farm loan purposes and the price received was 100.57 in Canadian funds. The National City Company bought the issue.

Just what the funds cost the province, of course, cannot be determined, as the bonds are payable in New York as well as Canada. Disregarding exchange the basis was about 4.88 per cent., and figuring the price in American funds around 81 8.35 per cent.

National City Co.	100.57
Dominion Securities Corp.	100.29
A. Jarvis & Co., Morrow & Jellett, Canadian & General Securities Corporation	100.08
Wells, Dickie & Co., Minnesota Loan & Trust Co.	99.96
Wood, Gundy & Co.	99.34
R. C. Matthews & Co., First National Co., Detroit	99.05
R. A. Daly & Co., W. A. Mackenzie & Co.	98.87
McLeod, Young, Weir & Co., Hannah, Ballin & Lee (New York), and Rutter & Co. (New York)	97.89
A. E. Ames & Co.	97.723

ST. THOMAS ISSUE SOLD ON 6.10 BASIS

Macleod, Young, Weir & Company bought St. Thomas' issue of $159,007 of bonds this week. The list of bids was large and included a diversity of opinions as to the value of the bonds, which consisted of several blocks of 5½ and 6 per cent. bonds, maturing from 1937 to 1951.

The bonds were bought on a basis of 6.10 per cent.

Tenders received were as follows:

Macleod, Young, Weir & Co.	98.64
Harris, Forbes & Co.	98.299
Dyment, Anderson & Co.	98.236
Housser, Wood & Co.	98.12
Bell, Gowanlock & Co.	98.12
A. Jarvis & Co.	98.04
National City Co.	97.79
R. C. Matthews & Co.	97.03
United Financial Corp.	96.57
Wood, Gundy & Co.	96.33
Dominion Securities Corp.	96.31
C. H. Burgess & Co.	95.84
W. A. MacKenzie & Co.	95.817
A. E. Ames & Co.	95.11
Turner, Spragge & Co., 5½%	92.50
Turner, Spragge & Co., 6%	97.79

POINT GREY BONDS

Bonds amounting to $156,000 have been sold by Point Grey, B.C., a municipality adjacent to Vancouver, to Canada Bond Corporation and Harris, Read & Co. The issue is divided into two blocks, one of $73,000, bearing 5 per cent., due in 1953, and one of $83,000, bearing 5½ per cent., due in 1959. The average price of the purchase for the two blocks was 81.64.

BOND MOVEMENTS OF THE WEEK

Bonds—	Rate. Int.	Year. Due.	Yield	High	1921.	Latest price.		Wk. End. Mar. 8		
				Range	Low	Ask	Bid	High	Low	Sales
Asbestos	5	1942	6.84	80	77	79¼	..	79¼	..	3,000
Can. Bread	6	1941	7.48	86	84	86	85	85½	85	4,000
Can. Cement	6	1929	6.92	94	91½	94	93	94	..	2,000
Can. Cotton	5	1940	6.96	79	78½	79	..	79	..	1,000
Cons. Rubber	6	1946	6.82	90	86	..	90	90	..	2,000
Can. Steam. debs.	5	1943	8.10	71	68	..	..	68	..	25,000
Cedar Rapids	5	1953	5.89	87½	86⅛	87¼	87	87	..	33,000
Dom. Iron	5	1929	7.91	82	75	..	81	81½	81	10,000
Elect. Develop.	5	1933	5.77	93	92	94	93	93	..	1,000
Montreal Dec. '22	6	1922	2.00	107¾	96½	..	107½	107¾	103	7,000
Do., Sept., '23	6	1923	6.37	99¼	98	99¼	99⅛	99¼	99	3,600
Do., May '23	6	1923	4.90	107	103	..	107	103	..	100
Penmans	5	1926	7.18	89½	85	90	88	89½	..	2,500
Quebec Rly.	5	1939	8.70	68	59	..	62	65½	64½	9,750
Rio	5	1935	7.47	79	62	79	78	79	78	14,500
Steel of Can.	6	1940	6.49	95	92½	95	94	94½	..	2,000
Wayagamack	6	1951	8.15	78¼	75	..	76	76	..	10,100
West Kootenay	6	1940	6.93	90	..	..	..	90	..	850
Winnipeg Elec.	5	1927	8.30	82⅝	82½	84	82¾	82⅝	82½	5,000
War Loan (1925)	5	1925	6.85	95½	92	94½	94¼	94½	92¼	35,950
Do., (1931)	5	1931	5.90	95¼	90¾	93	92⅞	93½	92⅝	32,100
Do., (1937)	5	1937	5.22	98½	94½	98	97¾	98	97½	138,800
Victory (1922)	5½	1922	6.24	99¼	97	98¾	98⅝	98⅞	98¼	207,950
Do., (1923)	5½	1923	6.19	99	95½	98⅛	98	98¾	97½	228,850
Do., (1924)	5½	1924	6.54	98½	94¼	96½	96⅜	96¾	96	433,550
Do., (1927)	5½	1927	5.92	99⅛	95¼	97¾	97½	97¾	97	78,600
Do., (1933)	5½	1933	5.66	99	95⅛	98½	98⅜	98¾	98	483,750
Do., (1934)	5½	1934	6.01	96⅛	92¼	95¼	95⅛	95⅝	95¼	703,850
Do., (1937)	5½	1937	5.52	100½	96½	99¾	99⅝	100	98¾	401,260

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All Maturities.
Price—at market

PROVINCE OF ONTARIO
6% BONDS.
Due 1st February, 1941
Price—100 and Interest

PROVINCE OF NEW BRUNSWICK 6% BONDS
Due 1st January, 1936
Price—99½ and Interest

PROVINCE OF SASKATCHEWAN 6% BONDS
Due 1936
Price—99 and Interest, to yield 6.10%

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Canada Permanent Mortgage Corporation
QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of
TWELVE PER CENT. PER ANNUM
on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
FRIDAY, THE FIRST DAY OF APRIL
next, to Shareholders of record at the close of business on the Fifteenth day of March.

By Order of the Board.
GEORGE H. SMITH,
Assistant General Manager.

Toronto, February 23rd, 1921.

MERCANTILE TRUST COMPANY
of CANADA Limited
HAMILTON ONTARIO
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MANAGER
S. C. MACDONALD

FIELD OF MUNICIPAL FINANCE

VANCOUVER ASKS FURTHER CHANGES IN CITY CHARTER

Based on Recommendation of Dr. Horace L. Brittain

REVISE TAXATION

Bureau of Municipal Research Expert Outlines Basis of of Taxation He Suggests

From Our Own Correspondent.

VANCOUVER.—Mayor Gale and a delegation from the council spent several days in Victoria with the Government, in regard to Vancouver affairs. The city charter was drafted in 1900 and has been amended almost every year since. One of the purposes of the mission to the capital is to have the charter consolidated, several contradictory clauses reconciled and a clearer and more direct instrument provided with which to work in future.

The "Report to the City of Vancouver on Methods of Municipal Taxation" by Dr. Horace L. Brittain is receiving close attention by all the civic organizations and the city officials. As soon as reports are in from some fifty organizations and associations interested, the council will prepare a request to the provincial Government for the necessary authority to put the changes into effect.

The main features of the plan which Dr. Brittain suggested were as follows:

1. A real property tax as at present.
2. A share of the Provincial Personal Income Tax on all personal incomes at increased rates if necessary.
3. A Business Tax at a flat rate, or at two flat rates, according as the business is incorporated or not; said tax to be administered by the province and the proceeds distributed to the municipalities.
4. A minimum income tax or service tax applicable to both sexes in the event of the province maintaining the principle of flat rate taxation on persons not otherwise taxed, said service tax being substituted for the poll-tax and the proceeds being made available to the municipalities at least to the extent of fifty per cent. of the amount raised within their limits.
5. Half the local proceeds of the Provincial Tax on motor vehicles.
6. Half the local proceeds of the Provincial Amusement Tax.
7. Increased miscellaneous revenue from special sources other than taxation.

Made to Feel Taxes

Not only, says Dr. Brittain, should every citizen with tax-paying ability be paying taxes to the city, but he should realize that he is paying taxes to the city. Every citizen who is able to contribute should be the possessor of a civic tax receipt or some equivalent thereto.

In recommending that the municipalities share in the poll-tax or service taxes which might be levied on the individuals of both sexes, this tax authority states: "If the municipalities knew that they would share in the service tax, would not the productivity of the present poll-tax be greatly exceeded?"

With regard to the amusement tax and the motor vehicle tax, in the latter case more especially the motor truck, it is pointed out that in exchange for the revenue which the provincial Government received from these sources in each municipality, that municipality gives all the services and pays all the expenses of doing so.

LOCAL SALE PLAN IS WELL REGARDED

Having been successful in selling $50,000 of bonds locally to citizens of the city, Stratford, Ont., intends in the future to sell as many as possible of its debentures in that way.

City Treasurer William Lawrence told THE FINANCIAL POST this week that projects involving the expenditure of some $170,000 would probably be under way this year, and an attempt will be made to finance the improvements in the city. Some $2,000 of bonds a day were sold during the recent campaign.

In Guelph, too, the home selling movement is being boomed and the Guelph Herald editorially states:

> "Next time the city of Guelph has a block of debentures—say, $50,000 or $100,000 worth—to dispose of, let the chairman of finance try the scheme of offering them to local investors first. They would have to be well advertised beforehand, but we firmly believe that if the investing public of this city were apprised of the fact that they could purchase $500 and $1,000 debentures bearing six per cent. interest, with no more trouble than to walk into their bankers or down to the city hall to get them, any reasonable issue of Guelph bonds would be snapped up as quickly as they were offered. Try the plan, anyway, and give the local investors a chance to get hold of their own debentures. If Guelph bonds are such gilt-edged ones that not one of them could be gotten hold of by local investors a few hours after they were sold to a Toronto firm, they ought to be the right kind for local investors to get the first chance to buy."

VONDA BUYS OWN BONDS

Vonda, Sask., is another town that has been successful in selling its debentures at home. Debentures to the amount of $13,000 were recently floated for the purpose of making payments on a new electric power plant.

PORT CREDIT ISSUE

Neelys, Ltd., of Toronto, have purchased an issue of $20,000 of 6 per cent. twenty-year bonds from the town of Port Credit, at 98, a basis of around 6.40 per cent.

BRANTFORD MUNICIPAL

A surplus of $2,163 on the year's operations, after payment of all operating expenses, sinking fund, interest and other charges, was earned by the Brantford Municipal Railways in 1920, according to the annual report submitted by the commissioners.

Money By-Laws

TENDERS WANTED

Mar. 26, Drumheller, Alta.—$28,000, 7 per cent., 20-year Hospital debentures. S. P. Williams, Sec.-Treasurer, Drumheller.

BY-LAWS TO BE VOTED ON

Mar. 28, Stouffville.—$12,000 to build a municipal-owned rink.

Apr. 5, Winnipeg.—$2,000,000 for new schools.

SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from February 12th to February 19th, 1921:

School Districts—Westwood, $2000; Rockwood, $3200; Old Trail, $2000; Clarkville, $3000; Newton, $5500; Flowerydale, $1215; Edenview, $500; Vernon, $1500; Frolich, $2280.

Rural Telephones.—Carruthers, $34,000; Fort Pelly, $300; Wolverine, $5800; Flett Springs, $3500.

Village—Kandahar, $1500; Pontiex, $7000.

Rural Municipality.—Kingsley, $1200.

The following is a list of authorizations reported sold from February 12th to February 19th, 1921:

School Districts.—Rouleau S.D. $19,000, 30 yrs., 7 per cent., various, Rouleau. Oxbow S.D., $2,000, 10 yrs., 8 per cent., R. Henders, Oxbow.

Rural Telephones.—Springside, $2,000; Stelcam, $500; Herschel, $1,500; Banner, $1,800; Blaine Lake, $18,300; Dunleath, $7,300; Bow Valley, $2,500; Dafoe-Copeland, $2,400; Blucher, $3,500; Doyton, $10,600; Lewiswyn, $4,500; Elstow, $5,500; Mervin, $7,000, all 5 yrs., 8 per cent., C. C. Cross & Co., Regina. Bredenbury South, $5,500, 15 yrs., 8 per cent., G. J. Taylor, Bredenbury.

Village.—Bulyea, $400; Well, 10 yrs., 8 per cent, I. H. Good, Bulyea.

Authorizations granted from February 19th to February 26th, 1921:

School Districts—Belleplaine, $15,000; Boyer Lake, $5000; Rotnum, $4400; Grand Coulee, $7,000; Mayronne, $1000; Vickers, $4900; Kipling, $5000; Johnston Lake, $3800; Mount Hope, $1300; Pleasant Ridge, $1000; Wilmot, $5500; Sweet Grass, $800.

Rural Telephones.—Northwood, $12,200; Dilke, $2000.

Authorizations reported sold from February 19th to February 26th, 1921:

City.—Moose Jaw, $22,200, 15 yrs, 5½ per cent., Various, Moose Jaw.

Town.—Assiniboia, $13,500, 20 yrs, 8 per cent., Various, Assiniboia.

School Districts.—Rouleau, $11,000, 20 yrs, 7 per cent., Nay & James, Regina. Belleville, $800, 20 yrs., 7½ per cent., S. K. Rymal, Kennedy; South Loverna, $1500, 10 yrs., 8 per cent., Local Purchaser, Loverna. Marlin, $2500, 10 yrs., 8 per cent., H. J. Birkett & Co., Toronto, Ont.

Rural Telephones—Atwater, $2,100, 15 yrs., 8 per cent., C. C. Cross & Co., Regina. Warrior, $15,000, 15 yrs., 8 per cent., Harris, Read & Co., Regina. Scott, $3,900, 15 yrs., 8 per cent., C. C. Cross & Co., Regina. Winton Park, $1,200, 15 yrs., 8 per cent., C. C. Cross & Co., Regina. Fallow Meade, $800, 15 yrs., 8 per cent., J. Burnett, Regina.

SUGGEST TREASURY BILLS AGAINST TAXES

But Saskatoon Declined to Comply With Bank's Request

Saskatoon has declined to accept a proposal of its bankers who refused to advance current requirements to the city without an assurance that the city, while preserving rigid economy in all departments of civic administration, will also agree to apply to the provincial government for an amendment to the city act, which will permit the issuing of treasury bills against arrears of taxes, and, immediately on the granting of the request will proceed to issue such bills. The council, after lengthy discussion, resolved not to bind itself to action but to advise the bank that towards the end of the year they will be ready to consider the matter and to take such steps as appear most reasonable.

The bank also asked:

> "The assurance of the council that in future the tax levy will be adequate to provide for current borrowings. It is, of course, understood that this year's council cannot commit the 1922 council in any way, except that a beginning to place finances on a more satisfactory footing should be started at once."

EDMONTON'S BONDS GO TO VANCOUVER

Will be Held by Bank There Pending Sale

Edmonton has completed arrangements regarding a large part of the securities of the city that were tied up in the failure of the firm of Morris Brothers in Portland, Ore. Without delay, all but $150,000 of $1,600,000 of bonds now in Portland are to be transferred to the Imperial Bank at Vancouver. The city council authorized Mayor Duggan to negotiate the new deal with the trustees for Morris Bros. at a minimum price of 98.20. This minimum was one point higher than the price obtained on the original sale, or 87.78 net to the city. Shortly after the council meeting, Mayor Duggan stated that he had closed the deal at a still better price than the minimum fixed by council. A new offer from the trustees was an increase of 1.79 on the original price, which would make a price of 88.57 net to the city. This new offer meant that the city would secure $28,650 more for the bonds than the price secured when the deal was first made last year, but this will be absorbed by the exchange rate. Under the new arrangement, the bonds are to be removed to Vancouver with the exception of $150,000 worth to be left in Portland. The trustees will have an option of thirty days on the sale of the whole issue, the plan being to replace the bonds in Portland with drawings from Vancouver as those left on the American side are taken up. At the expiration of thirty days the option expires and all unsold bonds are to be returned to Edmonton.

WESTERN DEFAULTS

Humboldt, Melville and Battleford Meetings Soon

An inquiry will open at Battleford, Sask., on March 21, at which the Saskatchewan Local Government Board will probe the finances of the town.

The committee of the Humboldt bondholders are much dissatisfied with the interim report of the Local Government Board of Saskatchewan, which proposes to make use of debenture trust funds for capital expenditure in the town of Humboldt. They are now considering calling the Humboldt bondholders together to lay the matter before them and decide on a future course of action.

Bondholders of the town of Melville, Sask., will meet in Toronto on March 31, together with the mayor and treasurer of the town, to consider some form of settlement or adjustment for the town's financial position.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date.	Place.	Sold to	Rate.	Term.	Amount	Price	Basis.
Mar. 5.	New Toronto	Dom. Securities Corp.	6½%	20 yrs.	$ 58,000	99.641	6.53
Mar. 7.	St. Thomas	Macleod, Young, Weir & Co.	5½&6	30 ins.	159,007	98.64	6.10
Mar. 7.	St. John, N.B.	Eastern Securities Corp.	6%	25 yrs.	54,000	99.55	6.04
Mar. 8.	Glace Bay	Brent, Noxon & Co.	6%	30 yrs.	25,000	....	...
Mar. 8.	Cranbrook, B.C.	Brent, Noxon & Co.	6½%	20 yrs.	30,000	....	...
Mar. 8.	Cranbrook, B.C.	Unknown	6½%	20 yrs.	30,000	....	...
Mar. 8	Cochrane	Brent, Noxon & Co.	6%	20 in.	25,000	....	...
Mar 6.	Vonda, Sask.	Locally	...	....	13,000	....	...
Mar. 6.	Port Credit	Neelys, Ltd.	6%	20 yr.	20,000	98.00	6.40
Mar. 9	Point Grey, B.C.	Can. Bond Corp., and Harris, Read	5&5½	30&38	156,000	81.64	6.61
		CORPORATION					
Mar. 7.	Fraser Co., Ltd.	Royal Securities & United Financial Corp.	8%	20 yr.	2,000,000	...	...
Mar. 4.	Shawinigan Falls	Lee, Higginson and Syndicate	6%	30 yr.	2,500,000	...	...
		PROVINCIAL					
Mar. 9	Manitoba	National City Co.	5%	5 yr.	500,000	*100.57	...

*Payable in New York. Price in Canadian funds.

Choosing An Investment

The choice of an investment should be governed by definite things:
(1) *Knowledge of security recommended.*
(2) *Knowledge of client's requirements.*

Each individual has need of personal counsel. Are you selecting your bonds bearing in mind that investing is a science where expert advice is necessary?

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One of the most brief yet impressive histories of Canadian financial institutions is contained in the annual record of the Mutual Life of Canada. The current issue will be ready in a few days. A copy will be sent to you on application. It contains fifty-one successive summaries showing in ten parallel columns the increase from year to year of the company's various receipts, expenditures, etc. No other document could better convey the idea of solid uniform achievement, and the momentum of the advance is now greater than ever. The prospects are bright for a still more rapid expansion within the next few years. The assets of the company exceed $40,000,000 and the assurances in force have reached $206,000,000. There is a gross surplus of more than five million dollars over and above the amount necessary to guarantee all policies, so that the position of the company in spite of the strain of recent years is one of uncommon strength.
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INSURANCE AND REAL ESTATE

MARKED PROGRESS WAS MAINTAINED BY MOUNT ROYAL

Annual Statement Shows Insurance Company Has Completed Record Year

ASSETS ARE DOWN

Due to Heavy Dividend Disbursement to Shareholders—Paid Out Stock of Montreal Power

From Our Own Correspondent.

MONTREAL.—The report of the Mount Royal Assurance Company for the year 1920 shows marked progress. The premium revenue, after deducting reinsurance, amounted to $741,679, as compared with $645,986, an increase of $95,692 for the year, or over $223,000 in the past two years. The interest revenue from the company's investments amounted to $84,832, compared with $68,213 one year before, making the total net income for the year $826,512, against $714,200 one year ago, a gain of over $112,000. The losses paid during the year amounted to $343,356, compared with $278,388 one year ago, representing a loss ratio of 46.29 per cent., a slight increase on the 43 per cent. of the previous year, which was unusually light in losses. Expenses of management and commissions accounted for a total of $264,142, against $244,909 in 1919.

The net earnings of the company for 1920 amounted to $219,013, as compared with $190,902 in 1919. Of this there was carried to the reserve fund the sum of $54,401, and $164,611 carried to profit and loss account, bringing this total to $648,000. The reserve fund according to the requirements of the Department of Insurance amounts to $451,179.

The dividend record of the company for the past year is a very interesting one. Out of the surplus that had accrued prior to 1917, and thus escaping in dividend shape the income tax, the company paid out to the shareholders stock of the Montreal Light, Heat and Power Consolidated, which cost it the sum of $172,177, but which represented in actual market value at the time a sum well exceeding $200,000. This was equivalent to over 80 per cent. of the capital stock, which amounts to $250,000. In addition the shareholders received the regular dividend of 8 per cent., bringing the total for the year to not much less than 100 per cent.

It is interesting to note that over a period of some fourteen years, during which dividends have been paid, with one increase in capital stock, more than the full amount has accrued to the company through interest and dividends from investments. This latter account brought into the treasury the sum of $520,663 since 1903, while dividend disbursements have amounted to only $334,007, leaving a balance of $186,656 to carry to surplus.

During the past eighteen years of the company's operations the sum of $3,758,437 has been paid out for losses. The company's assets at the close of 1920 amounted to $1,613,963, as compared with $1,708,120 one year ago. The difference is accounted for by the fact that while investments in Victory bonds increased from $400,000 to $500,000, other investments were cut down through the dividend payment of Montreal Power stock.

For the protection of the policyholders of the company there is available now the following amounts:

		1920.	1919.
Amt. of Res. for unexpired liability at the end of year 1919 ..		$ 396,777.94	$ 326,134
Premiums	$1,391,791.76		1,185,383
Less — Rebates and Cancellations ...	214,404.78		153,313
		1,177,386.98	1,032,070
Int. and Dividends.....		84,832.73	68,214
		$1,658,997	$1,426,608

Expenditure

	1920.	1919.
Claims paid and outstanding after deduction of reinsurance.	$ 343,356.26	$ 278,388
Reinsurance Prems. . .	435,707.35	386,083
Commission and Expenses of Man.	225,773.27	211,619
Office Furn. and Plans	4,063.69	3,453
Gov., Municipal and War Taxes ...	$4,305.85	29,835
Res. Fund (Legal Stan.)	451,179.33	396,778
Carried to Profit and Loss Account ...	$219,013.29	190,902
Less added to Reserve.	54,401.39	70,454
	164,611	120,448
	$1,658,997.65	$1,426,608

Taking the balance of $219,013 from revenue account, and adding $675,566 brought forward from 1919, the balance forward amounted to $894,579.

RECORD YEAR FOR LONDON LIFE CO.

Insurance in Force Totals $96,600,075—A Gain of $20,218,436

The very favorable conditions under which Canadian life insurance companies operated during the past year, arising out of the renewed interest in life insurance on the part of the public, and in the freedom from serious epidemics, are reflected in the annual statement of the London Life Insurance Company, which indicates that the company has experienced by far the best year in its history. The statement shows a very large gain in the amount of insurance placed with this company during the year, the total insurance issued reaching a total of $31,826,696, compared with $24,818,776 for the previous year, while the total insurance in force shows a gain of $20,218,436, compared with a gain of $16,577,209 at the end of the previous year, and now stands at $96,600,075, against $76,381,638 for 1919.

The statement further shows premium and interest reecipts of $4,196,385, an increase of $775,725; invested and other assets of $13,105,083, an increase of $2,294,540 over the previous year. The assets which, according to the report, consist entirely of non-speculative securities, which have been valued on a conservative basis, yield an average interest rate of 6.61 per cent., and the market value of the securities exceeds book value by more than $200,000.

The payments to policy holders and heirs show a decrease in death claims, a decrease in matured endowments, and a decrease in surrender values applied for and granted, the total amount paid being $692,505, a decrease compared with 1919 of $130,209. The surplus account on the basis of the Dominion Insurance Act shows the largest gain in the history of the company. On such basis the surplus on policy holders' account is $1,453,224, exclusive of the excess of market over book values. On the company's own standard the net surplus on policyholders' account, including paid-up capital of $50,000, is $226,675. Assets now total $13,105,083, compared with $10,810,543 at the end of the previous year.

LOW MORTALITY FOR NORTHWESTERN LIFE

Death Claims Only 15 P. C. of Expected—Company Makes Progress

A unique feature of the annual report of the Northwestern Life Assurance Company, of Winnipeg, for 1920, was the remarkably favorable mortality experience for the year, death claims being only 15 per cent. of the expected. Despite the fact that the business has grown extensively, the mortality claims amounted to $3,781, compared with $8.500 for the previous year and approximately $6.500 for 1918.

The history of this company, one of the youngest operating in Canada, has been marked by the maintenance of a very remarkable expansion from year to year, and during 1920 all previous records were exceeded by a large margin. The total insurance in force with this company stood at the end of the year at $3,179,968, compared with $1,874,994 at the end of 1919, $1,212,300 for 1918, and $535,350 for 1917. Applications for insurance received during the year amounted to $1,860,350, while the policies actually issued totalled $1,505,000, an increase of $524,106 over 1919. The cash assets of the company show an increase of $171,747, and amount to $602,101. Assets of all kinds have increased by $64,004, and now amount to $647,382. Liabilities to the public amount to $485,857, an increase of $47,136. Investments now total $537,305, an increase of $166,119.

The company's income account amounted to $155,243, while expenditure was $82,732, showing a surplus over expenditure of $72,511. Reserves for the protection of policy holders amount to $230,756, being greater than the reserves required by the Dominion Government.

At the annual meeting in Winnipeg the shareholders approved the issue of $1,000,000 additional shares, which the directors pointed out were needed to cope with the rapid increase in business during the past year. Mayor Darnell, congratulating the management on the record showing for 1921, expressed confidence in the company and urged the shareholders to make it one of the leading life companies in Canada. During the year the company moved into its new offices, said to be among the finest life insurance offices in Canada.

INSURE PROFITS IN THE EVENT OF BOILER EXPLOSION

Insurance Supplies Security Even in This Adverse Contingency

USE AND OCCUPANCY

A Number of Companies Have Only Recently Undertaken to Write This Boiler Explosion Profit Insurance

Use and occupancy insurance as a protection from loss of income during the period in which a plant is closed down as result of a fire is well known to Canadian manufacturers. Insurance of this nature tends to make up the revenue of the company, which would otherwise be impaired through the forced closing of the whole or a part of the plant, during the rebuilding or repairing of the portion destroyed. The ordinary fire insurance policy tends to offset any material damage suffered by the premises, without any relation whatever to the earning capacity of the business, or to the profits or benefits to the insured under the normal course of operation.

There is another branch of use and occupancy insurance which is not so well known, and which certain companies have undertaken to write only within a comparatively recent date, and this insurance provides protection against loss through cessation of operations folowing an explosion of the boiler in the plant. When it is considered that the power plant is the vulnerable part of the factory equipment, and any defect or any accident in connection with the power machinery would tend to tie up the operations of the plant as a whole, the value of this form of insurance is easily recognized. The ordinary boiler insurance policy covers material damage to the property, but this boiler explosion profit insurance, as it is called, provides a continuation of revenue during the period in which the plant is tied up for repairs following an explosion or a breakdown in the engine.

Must Meet Fixed Charge

Take the average factory. In case of a boiler explosion the damage to the plant is usually covered under a boiler insurance policy. This insurance will enable the management to replace the building without drawing in any extra capital. But during the period in which the building is under construction the company is undergoing a heavy loss through their inability to use the plant. Not only is the incoming revenue entirely shut off during the period, but at the same time certain fixed charges, such as interest on investments, salaries and possibly wages, and insurance, taxes, depreciation, etc., must be met.

An actual example is recorded of a firm whose net annual profits amounted to approximately $9,000 was tied up for a period of 100 days, folowing a boiler explosion. During that period salaries had to be continued, amounting to $7,000; interest on investments, $1,500, and insurance, etc., $1,600, bringing gross necessary revenue up to $19,100, or about $64 a day. The use and occupancy loss in this case amounted to about $6,400, as the plant was idle for 100 days. Policies of this nature are issued for a period of three years, and the charges in this particular case amounted to approximately $100 for the three-year period.

STRIKES IN CANADA

Reduced Strike Activity During 1920—Back to Normal

Notwithstanding the fact that there was a good deal heard during the past year of industrial unrest, there was in reality reduced strike activity in the Dominion, and the time actually lost through strikes was practically back to the average of the past 20 years, according to the Labor Gazette. There were 285 strikes and lockouts in Canada during the calendar year. Of this number fourteen were carried over from 1919, making a total of 272 strikes commencing in 1920. The number of employees involved in the 285 strikes was 52,150, and the number of employers 1,272. The total time lost was estimated at 886,754 working days.

In about 3 per cent. of the strikes 1,000 or more employees were involved, and in about 60 per cent. less than 100 employees were involved. As to duration 46 per cent. of the strikes were in existence for 10 days and under; 57 per cent. under fifteen days' duration, and about 22 per cent. were over 30 days' duration

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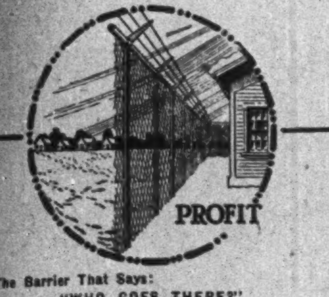

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The Law

as amended Nov. 10, 1919

THIS Referendum on April 18 is to ratify a new federal law, namely, the Canada Temperance Act, as recently amended by Dominion Parliament.

If a majority of the people of Ontario vote in favor of the Canada Temperance Act as amended, then, in the exact words of the law, it follows:

1. "No person shall import, send, take or transport into such province any intoxicating liquor.

2. "No person shall, either directly or indirectly, manufacture or sell, or contract or agree to manufacture or sell, any intoxicating liquor to be unlawfully imported, sent, taken or transported into such province.

3. "The carriage or importation of intoxicating liquor through such province shall only be by means of a common carrier by water or by railway and not otherwise, and during the time any intoxicating liquor is being so transported or carried no person shall open or break or allow to be opened or broken, any package or vessel containing such intoxicating liquor, or drink, or use or allow to be drunk or used any intoxicating liquor therefrom."

NOTE.—This law does not prohibit importation of liquors to be used for sacramental, medicinal, manufacturing or commercial purposes, or the importation of such liquors as are permitted to be sold by the laws of the Province.

"Shall the importation and the bringing of intoxicating liquors into the province be forbidden?"

VOTE
— and vote —
"YES"

Close the door to imported "booze"

Ontario Referendum Committee
24

SAGUENAY PULP HAD NET INCOME OF $3,574,925

Increase of 155 Per Cent. Over the 1919 Returns

SURPLUS $1,409,000

Remarkable Improvement in North American Pulp's Former Subsidiaries—Good Profits

From Our Own Correspondent.

MONTREAL.—The report of the Saguenay Pulp & Paper Company for the year ending December 31, 1920, has been awaited with a great deal of interest as on it depends to a great extent the choice the shareholders of North American Pulp & Paper Companies' Trust will make in connection with the alternative offer to sell their common stock at $6.00 a share or transfer it into Saguenay stock, for which every ten shares would entitle them to two shares of preferred and eight of common. In brief, the statement of the Saguenay Company which controls all the subsidiary companies formerly controlled by the North American Pulp shows net income of $3,574,923 as compared with $1,415,176, or an increase of 155 per cent. over the figures for the year 1919. This statement bears out all that has been said in these columns in regard to the earning power of Saguenay during the past year. From this sum there was deducted over $1.000.000 for interest as compared with $950,000 one year ago, and the sum of $1,100,000 for depreciation on buildings, etc., which item did not appear one year ago, and also for depreciation of timber limits, this amount comparing with only $430,000 one year ago. The net result was that compared with a surplus for the year of $33,651 one year ago there is carried forward as surplus account at the end of 1920 the very satisfactory total of $1,429,811.

Earned 30 Per Cent. on Common

Translating this into terms of dividends this would permit of 40 per cent. dividend on the preferred as compared with the cumulative provision of 6 per cent. as from April 1, 1919. As for the common stock which now amounts to $4,356,000, this would permit the payment of the regular dividend on the preferred stock and leave a balance of about 30 per cent. on the common.

Contracts for 87,000 Tons

Enquiries made by THE FINANCIAL POST as to the prospects of the company for the year 1921 indicate that a firm contract exists covering 80,000 tons output of groundwood pulp at a price of $62.50 a ton, which at present cost would net the company a profit of $2,400,000. All of this pulp is contracted for by English and French mills, and at the reasonable price of $62.50, which itself is nearly $90.00 a ton less than the high price of $150.00 reached last summer and is still well below the current market price for groundwood pulp. In addition the company have 7,000 tons, which they are selling now for $92.50, giving a profit of $62.50, or over $400,000, making a total for groundwood pulp of $2,800,000 profit, estimated for the year 1921. This does not take into account some 40,000 tons extra of groundwood pulp which is available for the spot market when conditions improve, nor 35,000 tons of sulphite pulp, a great deal of which, under ordinary conditions, is exported to the United States.

Gross Revenue Over $10,000,000

The profit and loss account shows an amount of over $600,000 allowed for depreciation on buildings, machinery, etc., for which there is no parallel in the statement of one year ago, and tends to emphasize the conservative character of the present statement.

The profit and loss account also shows that the gross revenue of the company has nearly doubled during the year, over $10,000,000 as compared with $5,000,000.

Profit and Loss

	1920	1919
Gross revenue	$10,488,213	$5,416,545
Costs	6,668,955	4,093,280
Gross profits	$ 3,819,258	$1,323,265
Other income	86,253	311,857
Total income	$ 3,905,511	$1,635,122
General expense	330,588	219,945
Net income	$ 3,574,925	$1,415,177
Interest	1,042,116	950,540
Balance	$ 2,532,807	$ 464,636
Timber reserve	359,773	263,001
Depreciation	608,747	......
Bad debts	37,050	......
Organization exp.	30,235	......
Chandler exp.	......	149,067
Miscellaneous	67,190	18,917
Surplus	$ 1,409,812	$ 33,651

The balance sheet of the company shows a total of current assets of $5,397,657 and current liabilities of $4,255,920, leaving a fair amount of working capital of over $1,140,000. One year ago the current assets were set down as $4,202,085 and the current liabilities as $3,954,108, leaving a net working capital of $247,000, so that there is a marked improvement in this respect as a result of the handsome net earnings the company has made during the past year.

Working Capital Account

Current Assets—	1920	1919
Acc. rec.	$ 355,173	$ 659,520
Due from assoc. cos.	299,167	18,400
Due from other cos.	181,516	......
Life insur.	15,667	14,203
Pulp on hand	1,187,939	1,119,440
Pulpwood on hd.	1,254,013	904 694
Adv. on pulpwood	1,897,496	568,944
Inventories	1,191,195	845,750
Cash	15,690	......
Adv. to contr.	.....	71,135
	$5,397,657	$4,202,086
Current liabilities—		
Bank lns. on sec. pulpwd. and sulp.	$2,317,653	$1,793,365
Other bk. lns.	259,000	......
Bank overdraft	168,460	14,186
Notes pay.	93,230	764,561
Acc. pay.	719,161	768,469
Assoc. cos.	8,473	......
Bond int.	183,604	355,201
Sundry accr.	78,575	12 539
Coup. outstand.	2,775	6,752
Sink. fd. pay. accr.	278,440	227,531
Res. for taxes	58,702	11,504
Directors' fees	1,905	......
	$4,255,920	$3,954,108
Bal. work. cap.	$1,141,737	$ 247,978

BUILDING LIVENS UP DURING FEBRUARY

Large Increase in Construction Figures Over Previous Month

Reports on building and engineering operations in Canada, as prepared by MacLean Daily Reports, Limited, for the month of February show that there has been a very satisfactory increase in the volume of work undertaken as compared with the previous month. For the last month contracts to a value of $17,641,000 were awarded, being an increase of $8,693,500 over the January figures, and a decrease of $696,100 from February, 1920. Some 734 different projects were undertaken, compared with 438 separate contracts awarded in January.

The increase during the past month was not unexpected, it is pointed out, and can be attributed to a variety of causes, among the most important, perhaps, being the increased amount of money available for building loans. Another favorable factor is that building costs have dropped 14 per cent. since last May. This has had a stimulating effect, and has brought out a few of the more pressing projects. Labor costs, judged from the viewpoint of efficiency, are decreasing, and recessions even in the money wage are imminent.

Building activity during the present season, the report continues, will centre mainly about housing construction. There has been a pronounced slackening in the amount of industrial building during the past few months, and it is considered improbable that there will be a revival on an extended scale. A large amount of money will be expended this year for roads, sewers, sidewalks, bridges, and other municipal work that has been held over since before the war.

DIVIDEND RATE WAS INCREASED

The Toronto Savings Paid 12 Per Cent. and a Bonus of 2 Per Cent.

Profits of the Toronto Savings and Loan Company for 1920 were such that not only was the regular dividend rate raised from 10 to 12 per cent., but a bonus of 2 per cent. was also paid, making a total of 14 per cent. The total profits of $155,825 compared with $148,389 in the previous year and $147,903 in 1919. Dividends took $140,000 and the balance was carried forward, increasing the surplus from $42,993 to $58,818. Following are comparative figures for three years:

	1920.	1919.	1918.
Bal. forward	$ 42,993	$ 34,604	$ 36.701
Net profits	155,825	148,389	147,903
	$198,818	$182,993	$184,604
Dividends	$140,000	$140,000	$100,000
Reserve	......	......	50,000
Balance	58,818	42,993	34,604
	$198,818	$182,993	$184.604

The following summary gives features of the company's earnings record in recent years:

	Profits.	Div.	% on Cap.	Earn. Rate.
1920	$155,825	12+2	15.5	7.3
1919	148.389	10+4	14.8	7.0
1918	147,903	10	14.7	7.1
1917	150,554	10	15.0	7.4
1916	148,486	10	14.8	7.4
1915	141,668	10	14.2	7.3
1914	135.658	10	13.5	7.0

President Herbert C. Cox in his report states that all payments maturing during the year were satisfactorily met and rentals promptly paid. Total assets at $465,116,000 showed practically no change.

DOMINION CANNERS AFFECTED BY THE SLUMP IN TRADE

Profits Are Reduced From $819,824 for 1919 to $293,699

STOCK WEAKENS

Heavy Volume of Cancellations and Protracted Deliveries—President Looks for Improvement in Trade

Adverse trade conditions which developed during the later months of the past year, and which brought in a flood of order cancellations, and the fact that operations were conducted throughout the year at costs which were excessively high, have brought out a drastic decline in the profits of Dominion Canners. Orders booked during the year were fully as large as those of the previous year, but cancellations and protracted deliveries amounting to approximately $2,000,000 alone prevented profits equal to those of the past year. The year's operations netted profits amounting to $293,699, compared with $819,824 for the previous year and $745,324 for 1918. After making provision for interest and dividends on the preferred there is a balance of $23,933, which, with the balance of $2,031,905, brought forward from the previous year, leaves a balance to be carried forward amounting to $2,055,838.

The following table shows the distribution of profits for the past three years:

	1920.	1919.	1918.
Profits	$293,699	$819,824	$745,324
Interest	109,424	99,798	103,099
	$184,275	$720,026	$642,225
Pref. div.	160,342	160,342	160,342
	$ 23,933	$559,684	$481,883
Prin. bal.	2,031,905	1,472,221	990,338
Balance	$2,055,838	$2,031,905	$1,472,221

President J. J. Nairn outlines in the report the difficulties encountered by this company during the past year. Last autumn, he points out, buying of almost all commodities substantially decreased. Naturally the sale of canned goods was affected, and the usual large volume of sales and deliveries during the months of October, November and December was considerably reduced. Cost of production was even greater than at any period since the war, while selling prices as a whole were lower, and there was a very narrow margin of profit between cost and selling prices. The unpreventable trade conditions, he added, were the sole cause of the year's small earnings. He continued as follows:

> Our pack of canned goods was large and gauged from orders received from the trade, booked as is the custom before packing, and owing solely to cancellations, we are left with a heavier stock of unsold goods than that of last year, but we have every reason to believe that it will all be disposed of during the year at a fair margin of profit.
>
> **Foreign Trade Declines**
>
> Owing to British and foreign trade conditions and exchange rates our export business, which had developed so favorably, declined to a very small figure, but we confidently look forward to a return to better conditions this fall and for a resumption of this business on a large scale. The cost of labor, produce and all materials necessary for the manufacture of canned goods are still 100 per cent. higher than the cost before the war, and in addition, this year the sum paid in exchanges for those materials which had to be purchased in the United States amounted to $200,000. We therefore do not see how the prices of present stocks of canned goods can be reduced.

The company's assets now total $12,657,680. Active assets, made up of accounts receivable, $1,469,277; manufactured goods and raw materials, supplies, etc., on hand total $4,834,622, while the inactive assets amount to $6,413,930, and investments $1,401,238. Liabilities to the public total $3,984,356 and include accounts payable secured by mortgages on land, $17,487; accounts payable not secured, $727,254, and to the bank, $3,239,614. Since the beginning of the year the liability to the bank has been reduced, and there will be further reduction when payments from customers, who were granted extensions of time, fall due.

The directors have declared a dividend of 1¾ per cent. on the preferred stock, payable April 1 next. Canners common has slumped on the stock exchange as a result of the unfavorable statement of earnings. The high point of the year at 45 was reached on January 28 last. The stock maintained its position around 39 until the company's statement was announced last week, when the decline was rapid, to 27.

EXPORT TRADE

The extensive foreign connections of this Bank enable us to place at the disposal of our customers the best existing world-wide banking facilities.

Our local Manager is in a position to give you both assistance and advice.

IMPERIAL BANK
OF CANADA
216 BRANCHES IN CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches.

IRELAND — Bank of Ireland, Dublin and Branches. Agents in FRANCE: Credit Lyonnais, Lloyds and National Provincial Foreign Bank Limited.

ONTARIO

TENDERS FOR PULPWOOD and TIMBER LIMIT

TENDERS will be received by the undersigned up to and including the 4th day of July, 1921, for the right to cut pulpwood and pine timber on a certain area situated in the vicinity of Long Lake, District of Thunder Bay.

Tenderers shall state the amount per cord on pulpwood, and per thousand feet, board measure, on pine, that they are prepared to pay as a bonus in addition to dues of 80 cents per cord for spruce and 40 cents per cord for other pulpwoods, and $2.50 per thousand feet, board measure, for pine, or such other rates as may from time to time be fixed by the Lieutenant-Governor-in-Council, for the right to operate a pulp mill and a paper mill on or near the area referred to.

The successful tenderer shall be required to erect a mill or mills on or near the territory and to manufacture the wood into pulp and paper in the Province of Ontario.

Parties making tender will be required to deposit with their tender a marked cheque, payable to the Honourable the Treasurer of the Province of Ontario, for fifty thousand dollars ($50,000), which amount will be forfeited in the event of the successful tenderer not entering into agreement to carry out conditions, etc.

The said $50,000 shall remain on deposit until the pulp mill, as provided by terms and conditions of sale, is erected and in operation. Any timber cut in the meantime shall be subject to payment of dues and bonus as accounts for same are rendered. After the said pulp mill is erected and in operation the deposit of $50,000 may be applied on account of bonus dues as they accrue, but the regulation dues, as mentioned above, shall be paid in the usual manner as returns for cutting of wood and timber are received and accounts rendered.

The highest or any tender not necessarily accepted.

For particulars as to description of territory, capital to be invested, etc, apply to the undersigned.

All tenders should be enclosed in sealed envelope and marked plainly on outside, "Tender for Long Lake Pulp and Timber Limit."

BENIAH BOWMAN,
Minister of Lands and Forests.

Toronto, January 24th, 1921.

N.B.—No unauthorized publication of this notice will be paid for.

ONTARIO

TENDERS FOR PULPWOOD and TIMBER LIMIT

TENDERS will be received by the undersigned up to and including the 15th day of June, 1921, for the right to cut pulpwood and pine timber on a certain area situated on the Nagagami River and other territory adjacent thereto, in the District of Algoma.

Tenderers shall state the amount per cord on pulpwood, and per thousand feet, board measure, on pine, that they are prepared to pay as a bonus in addition to dues of 80 cents per cord for spruce and 40 cents per cord for other pulpwoods, and $2.50 per thousand feet, board measure, for pine, or such other rates as may from time to time be fixed by the Lieutenant-Governor-in-Council, for the right to operate a pulp mill and a paper mill on or near the area referred to.

The successful tenderer shall be required to erect a mill or mills on or near the territory and to manufacture the wood into pulp and paper in the Province of Ontario.

Parties making tender will be required to deposit with their tender a marked cheque, payable to the Honourable the Treasurer of the Province of Ontario, for fifty thousand dollars ($50,000), which amount will be forfeited in the event of the successful tenderer not entering into agreement to carry out conditions, etc.

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The highest or any tender not necessarily accepted.

For particulars as to description of territory, capital to be invested, etc, apply to the undersigned.

All tenders should be enclosed in sealed envelope and marked plainly on outside, "Tender for Nagagami Pulp and Timber Limit."

BENIAH BOWMAN,
Minister of Lands and Forests.

Toronto, January 24th, 1921.

N.B.—No unauthorized publication of this notice will be paid for.

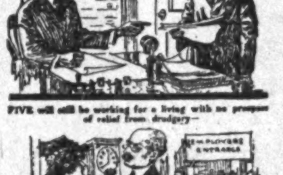
To Become Wealthy

Is an Ambition that is Cherished by Many.

BUT OF 100 MEN—

ONE only will be wealthy—

FOUR will be well-to-do and able to enjoy comfort and recreation—



FIVE will still be working for a living with no prospect of relief from drudgery—

THIRTY-SIX will have died in many cases leaving families enduring hardships—

FIFTY-FOUR will be dependent upon friends or relatives or charity.

You, perhaps, have the same ambition. At least, you want to be well-to-do later on, and able to enjoy life in comfort and independence.

What are Your Chances?

Experience shows that of 100 average healthy men 25 years of age the following will be true at 65:

1 only will be wealthy.
4 will be well-to-do.
5 will be compelled to go on working for a living.
36 will be dead.
54 will be dependent upon relatives, friends or charity.

Facing These Facts—

can you afford to go along in a haphazard way without a definite plan of saving and investment; uncertain whether you will be well-off or an object of charity.

The responsibility rests with You

It depends upon how you save and invest. There need be no such uncertainty about your future if you adopt the safe and definite plan of setting aside a deposit regularly each year for a Canada Life "Endowment at 65".

It will guarantee you in Cash—

at age 65, the sum of

$1,000 $5,000 $10,000 $20,000

or more, depending on your ability to save.

It is a Certainty

The full amount of your policy will be paid in any case, whether you live or die. Other investments may depreciate in value or fail. We offer you a certainty. The guarantee will take care of your home, or your business, or your personal interests, as nothing else can.

Profits will hasten maturity

If the profits be allowed to remain at your credit each year instead of being withdrawn, the face of the policy will be payable to you before you reach 65.

Whatever your circumstances may be later on in life, you will welcome this fund of a few thousand dollars. You may need it then.

Ask for Particulars

Canada Life
Established 1847

Canada Life Assurance Company, Toronto;
Dear Sirs—Without obligation on my part, please send me particulars of your Endowment at Sixty-five.
Name
Address
Born day of 19

Accomplishments during 1920-1921 of

PEACE RIVER PETROLEUMS, LTD.

Two wells were drilled by the Company during 1920 and the early months of the present year; one in Peace River Town, known as No. 1 Well and the other about twenty-five miles down the river below Tar Island, known as No. 2 Well.

The Victory Oil Company has also been drilling a well on the company's lands near our No. 1 Well, under royalty from us. A big flow of Wet Gas was encountered at this well, which will be continued to the Devonian formation.

Gasoline can be extracted from wet gas and will become a very valuable factor for the company, meaning a saving in fuel and lighting bill for the present, and additional revenue later.

At No. 1 and No. 2 Wells oil sand has been encountered and casing is being arranged to care for the flow.

Oil has been discovered at Hudson's Hope, where Peace River Petroleums, Ltd., has valuable holdings and arrangements have been completed to ship drilling equipment to Hudson's Hope.

The company's financial position is good; the balance sheet shows solid assets in the form of drilling equipment, casing, machinery, plant, etc. There are no liabilities.

Dozens of companies and hundreds of individuals are now seeking to exploit the oil resources of Canada's North. Peace River Petroleums, Ltd., was first in the field, has the choicest holdings in the Peace River district and is progressing unhampered and untrammelled by the new oil regulations, which do not affect its leases.

A special report has been prepared on the recent developments of the company and a copy will be sent on request.

We Recommend the Immediate Purchase of the Shares of Peace River Petroleums, Ltd., at $1.00 a share.

W. C. GOFFATT & COMPANY
Official Financial Agents
10-12 KING STREET EAST TORONTO

Economy

SEDAN

OVER six thousand Canadian Overland owners have driven their cars hundreds of thousands of miles—proved the cars exceptional economy—approved of its unusual riding qualities—

Now you can get Overland cars at prices even lower than when they were first offered in Canada—

One Canadian owner says of his Overland, "I get 30 miles to the gallon. I have absolutely cut my gas bill in two."

Another writes: "I don't profess to know much about motor cars in general and find that I do not need to, to get from the Overland all that I expect in a car."

The strong recommendations for quality and economy, as well as the new reduced Overland prices, merit your immediate investigation. Let us show you this *economy* Sedan.

Overland
TRADE MARK REG.
SEDAN $1795
f. o. b. Toronto and including sales tax

Willys-Overland Limited
Head Office and Factories: Toronto, Canada
Branches:
Toronto Montreal Winnipeg and Regina

BIG DEFICIT ON GOVERNMENT'S RAIL OPERATIONS

An Increase in Estimates of Over Ninety Millions

DETAILS LACKING

More Particulars Expected When Statement is Explained by The Minister of Finance

From Our Own Correspondent.

OTTAWA.—The estimates for the coming year have been presented to parliament, and show signs at an attempt to economize wherever possible. There are increases in 23 items and decreases in 17, as compared with last year's estimates. Had it not been for the big jump in railway estimates the showing would have been a pretty satisfactory one. As it is, the main estimates are over $31,000,000 less than the main estimates of last year. How the supplementary estimates may affect the situation remains to be seen.

The most pronounced decreases compared with last year are under the headings of soldiers' civil re-establishment, over $21,000,000; pensions, over $5,253,000; railways and canals, capital, nearly $19,000,000; public works, capital, marine department, $11,510,000, and miscellaneous $20,633,000. The big increase, which almost offsets all the Government's other attempts at economy, is in railways, in which there are record estimates of over $168,000,000, or over $92,000,000 more than last year.

The minister of railways and minister of finance have, after taking counsel together, issued a statement which begins with the undeniable assertion that "the railway estimates are large." The rest of the statement is marked by a considerable degree of vagueness, but there stands out, plain as a sore thumb, the fact that the deficit on Government ownership of railways according to the statement will be something over $60,000,000—just how much remains to be seen when the anticipated deficit on the Grand Trunk is plainly stated, as it is not in this statement under consideration. What is plain at present is that $57,000,000 will be required to deal with the Grand Trunk situation.

Big Operating Deficit

That sum is made up of the unstated sum for operating deficits; current and overdue liabilities, including floating debt, current accounts overdue, etc., of $20,000,000; "substantial payments" for sinking fund and refunding purposes, and a new capital expenditure for betterments of $12,000,000. This leaves a balance of $25,000,000, which is apparently made up of maturing obligations, fixed charges and deficits in operation.

The estimates for the Grand Trunk Pacific and Canadian National are more definitely stated, although, as will be seen, the amounts stated still leave a further sum to make up the minimum total of $140,000,000 which the statement gives as the total railway obligations for which cash is required. The Grand Trunk Pacific deficit is apparently $19,250,000, the Canadian National $23,000,000 and the Intercolonial and Transcontinental $7,000,000. The sums mentioned in this official memorandum make up $113,000,000. The balance of $27,000,000 is unaccounted for, unless it is meant to be covered by the following paragraph in the statement: "The vote is swollen by betterment, new construction on western lines and stock requirements." Doubtless when the minister gets down to a detailed statement in the house he will make the present statement clearer.

B.C. ELECTRIC RAILWAY

Will Not Take Over C.P.R. Branch Line to Port Coquitlam

The rumor to the effect that the British Columbia Electric Railway Company would take over and electrically operate the Canadian Pacific branch line between New Westminster and Coquitlam has been definitely set at rest by General Manager George Kidd, who has declared that his company is not considering any such action. He has pointed out that the company is losing money on the line to Eburne, on the Chilliwack line and on the New Westminster city lines. Under present conditions no new capital could be secured and the company was therefore not in a position to undertake any project involving capital expenditure even if the management desired to do so.

HOWARD SMITH BONDS

$1,490,000 Held in Escrow to Retire Outstanding Issues

From Our Own Correspondent.

MONTREAL.—The offering of $1,000,000 of 7 per cent. first refunding mortgage sinking fund gold bonds of Howard Smith Paper Mills, Limited, at 91 and accrued interest gives a yield of 7.90 per cent. Under present conditions the yield is better than this as principal and interest are payable in New York funds as well as in Montreal and Toronto. One of the important features of this issue is that there is being held in escrow bonds to the amount of $1,490,000 to retire the outstanding issues of Howard Smith Paper Mills and the Toronto Paper Mfg. Co. to the extent of $800,000 and $689,800 respectively. A letter is being sent out to these bondholders offering to exchange these bonds, which bear 6 per cent. interest, for the new 7 per cent. bonds. The advantages of the exchange, it is pointed out, are the increase of 1 per cent. in the interest paid, the fact that the new bonds are secured by mortgages on both properties in place of a single one in the case of the earlier bonds, and that the interest will be payable in New York funds if the holder so chooses. With these advantages to the existing bondholders it is expected the exchange will be made within the date specified, May 1 next, in which case the new issue will be secured by a first mortgage and charge on the entire assets of the company.

BIG CITIES OF THE WEST

Editor, THE FINANCIAL POST:

Sir:—In the issue of THE FINANCIAL POST of 25th February, there is a letter entitled "The Coming Big Cities of the West," dated Toronto, and signed "A. V. White." This letter was not written by me. I was not aware of its existence until my attention was drawn to it, and I absolutely disclaim any responsibility for the statements contained in it. I shall be obliged if you will publish my statement that the letter above referred to was not written by Arthur V. White, of the Commission of Conservation, Ottawa, nor has he any knowledge whatsoever of its source or authorship.

Yours, etc.,
ARTHUR V. WHITE.
Toronto, March 4, 1921.

The letter referred to should have appeared above the signature of Arthur O. White, financial agent, Crown Life Building, Toronto.

JOHNSCo

Steel is the order of the day, Steel Desks, Steel Office Tables, Steel File Equipment, Steel Safes, Steel Shelving. We specialize in steel. Ask us about "Allsteel" equipment.

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Complete Office Outfitters
Toronto: 77 Wellington St. W. Hamilton: 14-20 McNab St.

The Weyburn Security Bank
Chartered by Act of the Dominion Parliament
TWENTY-FIVE BRANCHES IN SASKATCHEWAN
HEAD OFFICE, - WEYBURN, SASK.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

Why Impose a Burden on Your Wife?

How many men, thoughtlessly, thrust upon their inexperienced wives the complicated, exacting and worrying duty of executing their wills?

Is it fair, or wise, or prudent in the interest of your wife or children?

Why not appoint the Chartered Trust & Executor Co. your executor, and so provide for your dependents the protecting hand of an institution which by its organization, experience and efficiency can relieve your family of all worry and responsibility and at the same time preserve them from the common mistakes which so often lead to loss and hardship.

Chartered Trust and Executor Company
46 King Street West, Toronto

HON. W. A. CHARLTON, M.P. *President*
W. S. MORDEN, K.C. *Vice-President and Estates Manager*
JOHN J. GIBSON *Managing Director*

George Ham says "Good-Bye"

A STRIKING and affectionate farewell is bade by Col. George H. Ham in the March 15th issue of MACLEAN'S MAGAZINE, to his thousands of friends, as well as to other readers who may know him only by hearsay, who have been following his reminiscences in Canada's National Magazine since last August.

"The Curtain is Rolled Down, for seventy-three years makes a long act," says George. "Recalling three score and ten of these years has been a pleasant though difficult task; thirty-three of them have been spent in the service of the C.P.R., and one cannot but realize that the corridors of the Company's office will not long be trodden by the older ones of this generation and that some of us perhaps will soon not even be a memory."

"There Were Giants in Those Days"

The concluding instalment of this remarkable, all-Canadian feature, is the biggest and best of the lot—and here is the proof: There are seven full magazine pages, chock full of stories of those amazing days when the C.P.R. was conceived and constructed; human, hitherto unpublished details of the lives and careers of those three veteran founders, and, later, presidents of our first transcontinental: Lord Mount Stephen, the late Sir William Van Horne, and Baron Shaughnessy, K.C.V.O. And funny stories! Well, just read about Baron Shaughnessy's racing experiences; the pranks George Ham and William Stitt used to play on each other; Fred Cook's "German Band," and countless other incidents that could only be retained in such a mind—and heart—as that possessed by Canada's grand old raconteur.

Big Features of Fiction and Fact

"Personality, Plus"—By Guy Morton.
A fascinating story about an advertising agency man who put across a trick to close a contract—and then gave the whole game away.

"Lenix Fools the Jinx"—By Archie P. McKishnie.
Another of those deliciously droll Lenix Ballister negro stories, in which more than the usual number of comic and absurd scenes are depicted.

"Pawned"—By Frank L. Packard.
The third instalment of this masterful serial goes a long way to show how the triple regeneration is going to be effected.

"Broadway to Brussels"—By C. C. Jenkins.
The story of the rise of J. H. Gundy, a shy youngster, who developed into one of Canada's most brilliant orators and a leading financier.

"Little Bundles of Pluck"—By Agnes C. Laut.
In this, Miss Laut tells with graphic pen the story of some of the war brides who are making good out on the lonely prairies, where they and their husbands have been located by the S.S.B.

"A Woman Would Know ——"—By Charles G. Booth.
This whole gripping story centres around the possession of a wee bundle of humanity, cursed with a dope-fiend father. There is plenty of love interest, too.

"Those Who Stood in Darkness"—By J. L. Rutledge
A symposium giving the opinions of a number of Ministers of various denominations on some of the doubts which have arisen in this war aftermath, in the minds of many Christians—and others. An Easter Message.

Review of Reviews

"What Does Future Hold for Mankind?" H. G. Wells
"The World's New Leaders." Sir Philip Gibbs
"Labor Espionage in the U.S." Sydney Howard
"Bismarck's Account of Dismissal." Neue Zuricher Zeitung
"Ireland, the Enemy?" Harold Cox
"Devil Duval's Treasure." Chambers's Journal
"A Winged Torpedo Boat." "Tin-Fish"
"How Van Horne Rose." Walter Vaughan
"Criminal Tribes of India." London "Times"
"Salvaging Submarine Victims." Stuart Martin
"Greece's Great Renunciation." Pierre de Lacretelle
"Labor Must be Partner." George A. Greenwood
"Common-Sense Bridge." Manning Foster

MARCH 15th ISSUE On All News-stands 20c

MACLEAN'S
"CANADA'S NATIONAL MAGAZINE"

MARITIME FISH INTERESTS WANT RAIL EXTENSION

To Give Direct Service To The Big Canadian Cities

TARIFF A FACTOR

U.S. Protective Policy Would Have Effect of Cutting Off American Markets But Advantages Might Result

From Our Own Correspondent.

ST. JOHN.—An extension of the Canadian Pacific Railway to the fishing ports of Charlotte county on the Bay of Fundy is being urged by business men of St. Stephen, St. Andrew, St. George and other points. Heretofore the quite important fishing industry of Charlotte has generally looked to the United States for markets, and the Fordney Bill and the movement among New England fishermen to induce Congress to impose duties on fish is causing uneasiness, and turning attention to the possibilities of the Canadian markets. Charlotte county, which embraces Grand Manan and the islands of Passamaquoddy Bay, supplies the State of Maine sardine canneries with the bulk of their raw material; its fishermen also catch large quantities of lobsters, which are mostly shipped in the green state to Portland and Boston, whence they are often sold in the markets of Montreal and Toronto. In recent years Charlotte county has been putting up quantities of smoked herring and boneless cod — superior cures — which have found a ready market in the States. Now the Americans propose to put a duty on the cured fish, and it is reported that, in anticipation of the adoption of the proposed tariff the fish plants at Eastport and other ports in Maine are preparing to go heavily into the work of packing smoked and boneless herring and other varieties of cured fish. In other words, they expect to take over the business which Canadian interests have developed at some expense, relying, of course, on the Charlotte county fishermen to supply them with all the fish they want in the raw state.

Railway Is Needed

Given an efficient railway service Charlotte county could doubtless develop a considerable market for its fish products in the cities of interior Canada. It is a well-known fact that Montreal, Quebec, Ottawa, Toronto and other inland cities secure large supplies of fish from Portland and Boston — very often fish that was originally taken by Canadian fishermen in Canadian waters. This is evidently one reason why the inland consumer pays for fish from three to five times the price received by the fishermen. It also serves to explain why many consignments of sea fish, both fresh and cured, offered for sale on inland Canadian markets are of inferior quality. No doubt there are inland fish dealers with good connections who handle sea fish of first-class quality, but they cater to a special trade. The fact remains that the big cities of interior Canada are not good mrkets for sea fish, and certainly one reason is that sea fish often reach these markets in an unattractive condition.
many good business in Boston and

Canada occupies a position in respect to the fishing industry comparable to its position in regard to the pulp and paper industry. Canada and Newfoundland between them largely control the bait supply. American deep-sea fishing craft find it to their advantage to come to our maritime ports for supplies; and sometimes they land their catches and transship by rail and steamer to Boston. On the Pacific coast many American fishing craft use British Columbia ports as a base of operations. When the agitation for an emergency tariff on fish arose in New England, M. H. Nickerson, the newly appointed commissioner of fisheries for Nova Scotia, went to Boston. Mr. Nickerson secured admission to the meetings of the agitators, and among other things pointed out that the American fishing interests on the Pacific coast would be seriously hurt if their vessels were prohibited from using British Columbia ports as a base of operations. He also pointed out that if the maritime provinces developed more extensively the modern methods of curing fish they could soon acquire a certain independence of American markets. At the same time they could, if they were provoked to unneighborly acts, limit the supply of bait, and shut off the supply of raw fish, which makes possible much good business in Boston and Gloucester.

Whether Mr. Nickerson had any support from the Fisheries Department at Ottawa is unknown; it is likely that Ottawa was content to wait and see. But the man from Nova Scotia induced the Gloucester fishermen to modify their original demands very considerably, and at the same time he supplied a lot of ammunition to the New England interests which do not want a change.

JEWELLERS URGING TRADE BETTERMENTS

Laboratory and Assay Office Needed to Develop and Protect Craft

The Canadian National Jewelers' Association, in their second annual convention in Winnipeg on February 22, passed a resolution of more than local interest when it decided to petition the Canadian Government to instruct the Council of Scientific and Industrial Research to give its most urgent attention to the instituting of laboratories and equipment for investigation and study of industrial problems. Such laboratories will undoubtedly help manufacturers to improve their products, eliminate waste and develop new industries from our natural resources. Canada vitally needs this service to enable her industries to compete with similar official help accorded industries in other countries.

To Protect Trade Marks

The passing of this resolution brings up the question of what action should be taken to protect Canadian and British producers of silver products from the abuse of trade marks as practised by manufacturers in competing countries, particularly the United States.

Delegates to the recent Empire Chamber of Commerce meeting in Toronto referred to the practice of American houses pirating British trade marks and using the British Hall Mark upon silver and plated goods not made in the United Kingdom. The Hall Mark placed on an article of British manufacture is a guarantee that it is genuine. The unauthorized use of these identical marks by other countries, where it is often stamped upon inferior products, is a reflection upon British and Canadian standards, and constitutes serious and unfair competition.

Assay Offices Needed

It has therefore been urged that an assay office be opened in Canada, where, at a minimum expense, all metals may be tested and marked according to their standard of fineness. This movement would do more than anything else to protect the Canadian "Sterling" mark, against which unfair competition from the United States is frequently felt.

HIGHER RATES TO PROVIDE SERVICE

P. E. I. Government Takes Reasonable Attitude Towards Telephone Company

From Our Own Correspondent.

CHARLOTTETOWN.—A renewal of its exclusive franchise, which expired at the end of last December, and approval of an increase in rates is being asked of the Prince Edward Island Government by the Telephone Company of P. E. I. Premier Bell told THE FINANCIAL POST that his Government was disposed to grant the company's request, in order to enable it to raise much needed capital for necessary improvements, and that a tentative agreement to that effect had been entered into by the Government and the company. The Legislature will be asked to ratify the agreement at the session, which begins March 10.

The Telephone Company's proposals call for an approximate increase of 18 per cent. in rates, and by the terms of the proposed agreement it is made possible for the company to earn 8 per cent. net on its investment, while the Government reserves the right to limit the company's net earnings to that figure. The present capitalization of the company is $140,000, and it has $50,000 bonds outstanding. Until last year it paid 6 per cent. dividends, but owing to increased operating costs a slight deficit resulted from the company's activities in 1920, and no dividend was paid, while a small surplus built up during previous years was wiped out. With expected reductions of operating costs it is hoped that the increased revenue provided for in the proposed agreement with the Government will enable the company to earn somewhere near 8 per cent. net, and on such a showing to attract new investments.

RICE LAKE MINES

The first ore shipment for the year from the Rice Lake district arrived in Winnipeg on February 28th; 700 lbs. of ore made up the shipment. This ore is being sent on to Ottawa for examination and assay. The result will be awaited with much interest by people interested in the Rice Lake Field.

AN INCREASING DEMAND IN THE CUBAN MARKET

Potatoes, Fish and Other Products Bringing Good Prices

IN NEWFOUNDLAND

Price Control so Far as European Market is Concerned Has Finally Been Abandoned

From Our Own Correspondent.

HALIFAX.—Nova Scotia has important trade relations with Cuba, to which she exports large quantities of potatoes, fish, gypsum and other articles. There has been great difficulty in obtaining the movement of shipments at Havana because of the congested state of the port. The Cuban consul at Halifax, speaking with THE FINANCIAL POST, remarked that this congestion had all been removed through the efforts of the Government and that now there is no delay. The consul further said that the moratorium would disappear inside of four months and that this consummation was being reached "by instalments." In other words a normal state was being restored at regular periods on a percentage basis. He remarked that Australia was buying 1,000,000 bags of raw sugar, the first purchase there that the Commonwealth had ever made. China and Japan also are buying Cuban sugars at a rate of 5 cents per pound. The sales are now in the hands of a commission.

George E. Sanders, of Wolfville, the entomologist of the Dominion Government in the Annapolis Valley, speaking of the export of potatoes from this province to Cuba, referred to the remarkable fact that good prices have been obtained for them while potatoes were being sold elsewhere at litle more than cost. He attributed this to the excellent business methods of the co-operative organization of the farmers, who keep an agent in Havana. Some of the fish exporters in Nova Scotia have been doing a good business in Cuba in the midst of general depression there by advancing credits to importers. It is said this has shown a profit.

Europe continues to report overstocked fish markets, though Nova Scotia is not particularly interested in this, at least directly, for the Lunenburg cure of codfish is not suitable for the European market, but the condition is being felt in Newfoundland, with the result that price regulation, in so far as Europe is concerned, has been abandoned entirely. The only restriction now being enforced by the Newfoundland government is on shipments to Brazil, which is in a very depressed condition and as a market is anything but cheering. It is believed the Newfoundland fleet will make no spring trip to the Grand Banks this year. In this case the situation will be cleared by having no additions to stocks that are yet unsold and for which it is hard to find a market.

'LONDON JOINT CITY & MIDLAND' BANK LIMITED

CHAIRMAN
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
S. B. MURRAY, Esq., F. HYDE, Esq., E. W. WOOLLEY, Esq.

Subscribed Capital	£38,096,363
Paid-up Capital	10,840,112
Reserve Fund	10,840,112
Deposits (June 30th, 1920)	367,667,322

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C. 2.
OVER 1,460 OFFICES IN ENGLAND AND WALES
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C. 2.
Atlantic Offices: "Aquitania" "Imperator" "Mauretania"

AFFILIATED BANKS:
BELFAST BANKING CO. LTD. OVER 110 OFFICES IN IRELAND
THE CLYDESDALE BANK LTD. OVER 150 OFFICES IN SCOTLAND

MACDONALD'S CUT BRIER

1/12 lb. Package 15c
1/2 lb. Tin . 85c

More Tobacco for the Money

MACDONALD'S
Cut Brier
SMOKING TOBACCO
Manufactured by W.C. MACDONALD, REG'D INCORPORATED MONTREAL
MACDONALD'S C
MACDONALD'S Cut Brier

Subscription lists will close on or before March 28th, 1921

New Issue

$2,000,000
Fraser Companies, Limited
8% General Mortgage Gold Bonds Series "A"

Dated March 1st, 1921. Maturing March 1st, 1941. Principal and semi-annual interest payable at The Royal Bank of Canada, Montreal, Toronto, St. John, N.B. and Halifax, N.S. Interest payable March 1st and September 1st. Coupon Bonds of $1,000 and $500 denominations, with privilege of registration as to principal only. Trustee—The Montreal Trust Company, Montreal.

	Authorised	Outstanding
Common Shares	$10,000,000	$10,000,000
6% First Mortgage Serial Bonds	Closed	2,250,000
8% General Mortgage Bonds Series "A" (this issue)	10,000,000	2,000,000

$250,000 First Mortgage Bonds mature 1st April of each year 1921-1929 inclusive. These annual reductions in funded debt, together with annual cumulative Sinking Fund of 3% on General Mortgage Bonds, rapidly increase the equity behind this issue.

Complete prospectus, copies of which will be mailed on request, contains a letter from the President of the Company, from which he summarizes as follows:

Fraser Companies, Limited, is one of the largest manufacturers in Canada of easy bleaching and bleached sulphite pulp, spruce lumber and cedar shingles. The business has been in successful operation for over forty years.

Bonds will be secured by direct mortgage and charge on all fixed assets and properties of the Company, now owned and hereafter acquired by it, and by a floating charge on all other assets of the Company, subject only to $2,250,000 par value of First Mortgage Serial Bonds, the mortgage securing which is closed at the amount now outstanding.

Annual cumulative sinking fund of 3% will commence in 1923 — sufficient to retire the entire issue of Series "A" Bonds before maturity.

Timber areas — 1,822 square miles leasehold and 210 square miles freehold timber limits, estimated to contain 1,760,000,000 ft. b.m. saw logs and 4,650,000 cords pulpwood. Company in addition has leasehold cutting rights on 900 square miles of privately owned lands.

Company owns and operates two pulp mills, at Edmundston and Chatham, N.B., and twelve saw mills in New Brunswick and the eastern portion of Quebec. Each of the Company's mills is located in convenient proximity to the area from which its logs are obtained.

Annual output:—

Edmundston Mill — Bleached Sulphite Pulp	54,000
Dominion Mill — Easy Bleaching Sulphite Pulp	18,000
Total Pulp Production	72,000 tons

Lumber — 130,000,000 ft. b.m., annually. Shingles — 168,000,000 pcs. annually.

Plant and Property Valuation — $14,000,000 against $4,250,000 of Bonds outstanding, including this issue.

Net Liquid Assets (Working Capital), after deducting all current liabilities and including the proceeds of this issue, will be in excess of $4,000,000.

Average Annual Net Earnings, after depreciation, available for interest charges on these Bonds, for the five years ended December 31st, 1920, were $741,450, over four times interest charges on General Mortgage Bonds now to be issued.

Net Earnings, after depreciation, for year ended December 31st, 1920, available for interest charges on General Mortgage Bonds, amounted to $1,276,301, nearly eight times interest charges on General Mortgage Bonds now to be issued.

We offer the unsold balance, if, as and when issued and received by us, at the price of:

99 and accrued interest, to yield 8.10%

ROYAL SECURITIES CORPORATION
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164 St. James Street - - MONTREAL
TORONTO HALIFAX ST. JOHN WINNIPEG
VANCOUVER NEW YORK LONDON

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This Book is the Standard Authority on Farm Building Construction

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MOST Farmers look upon their bankers as an unfailing source of advice and information.

To keep abreast of the newest developments and improvements in the world of farming, it is important that the Bank Manager keep at hand a supply of up-to-date text-books for reference. He is thus equipped with reliable information upon which to base his judgment and advice.

We publish a book that is rapidly findings its merited place in the office of every Bank Manager. It is entitled, "What The Farmer Can Do With Concrete."

With this book you have at your finger tips the answer to every question a farmer is likely to ask about Concrete construction of farm improvements.

It contains a hundred pages of practical suggestions, with plans and full directions for building barns, foundations, floors—everything, in fact, that is best made of Concrete.

Over 100,000 Canadian Farmers have followed its plain directions and constructed improvements that are permanent, water-proof, vermin-proof, repair-proof. Improvements that have increased farm profits and the value of farm property.

Every Bank Manager is in a position to help along the movement for Concrete construction. He will share directly in the benefits from profit-making Concrete improvements. Therefore, in his own interest, as well as in the interest of the country at large, he should help it along.

You will perhaps want more than one copy of this book. In writing us state how many copies you can use and we will send you the desired quantity free of charge.

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Endurance

NEARLY two decades of travel upon the roads of the world—has any machine of man's contriving ever triumphed over so thorough and universal a test as the Ford? You buy this sturdy car, not for a season, but for year after year of dependable service.

Over 3000 Ford Dealers and Service Stations in Canada provide service and genuine Ford parts at fixed prices.

Ford Motor Company of Canada, Limited
Ford, Ontario

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CANADIAN STOCKS

Quotations of listed Securities on Montreal and Toronto Stock Exchanges with prices at closing on Mar. 8. n stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active.

Capitalization			Div.	Yield to	COMPANY	Range 1920		1921 to Mar 1		Close Mar. 8		Week ending Mar. 8			Sales
Preferred	Common	Bonds and Debentures	Rate	Mar. 1		High	Low	High	Low	Ask	Bid	High	Low	Close	
	5 000 000	6 160 600	6	16.21	Abitibi Power & Paper com	87	49⅛	58	33	37	36	39	36½	35⅝	3,599
1,000 000			7	7.86	Abitibi Power & Paper pref	99	85	89	86¼	...	...	...	...	...	...
	6 594 300				Amer. Cyanamid com	36	33	...	...	...	...	...	...	...	...
994 200			6	9.67	Amer. Cyanamid pref	65	62	62	...	...	...	...	...	...	...
	3 500 000	1 473 666			Ames-Holden com	137¼	10	25	20	...	...	...	...	...	...
2,500 000			7		Ames-Holden pref	114¾	27	45⅛	29½	...	...	...	...	...	...
	614 660	465 951			Amer. Salesbook com	7⅛	5	6¼		...	...	30	29⅞	30	88
3,073 300			7+1¾	9.33	Amer. Salesbook pref	83	70	77	72	80	75	76	75	76	24
	3 000 000	2 940 000	6+1¾	8.00	Asbestos Corp. com	103	64	82½	74¾	76	74	75	73¼	72½	35
4,000 000			8	8.33	Asbestos Corp. pref	108	83	96	88¾	90		90	90	90	110
	3 500 000	1 345 000	10		Atlantic Sugar com	164	16	33¼	20¼	30½	30	31	30	30	2,525
2,500 000			7		Atlantic Sugar pref	184	24½	34	...						
8,483 500	27 450 000	54 063 875			Barcelona Traction	9¼	3	5⅝	4	5⅜	5¼	5⅝	5⅛	5⅛	1,550
	22 336 300	16 649 000	8	7.61	Bell Telephone	111¼	100	112	99¾	...	103	105	103	104	255
	4 282 200		6	14.28	B. C. Fishing	66	34¼	46	38	44	42	41½	41½	41½	5
10000 000	106 566 300	22 657 000			Brazilian Traction com	51¼	28	16	30⅛	32⅞	32⅝	33¾	32⅞	32	2,187
	1,278 700		10	9.58	Burt F. N. com	110	88	109	101⅜	105	103	10[illegible]	102½	104¼	458
1,446 500			7	6.60	Burt F. N. pref	110	90	108	96¾	105½	104	104	101¾	10[illegible]	26
2,000 000	7 000 000	2 193 000	7		Brompton Paper	85	42¼	57⅛	34	35¾	35⅛	36	34	34½	6,225
	2 500 000	1 146 872			Canada Bread com	32⅝	19	22	19	...	...	...	...	...	...
1 250 000			7	8.04	Canada Bread pref	86½	84	88	85	...	...	...	...	...	...
	4 975 000	7 757 822			Can. Car & Fdry com	74	29	43	30		36	37	33	37	160
7 500 000			7	10.00	Can. Car & Frdy. pref	109	67	79	64	70		70	70	70	152
	13 500 000	6 346 260	6	9.91	Canada Cement com	75	54¼	67¾	56⅛	60	59	60½	59	59¼	927
10 500 000			7	7.69	Canada Cement pref	100	88½	94	90	91	90	91	91	91	51
	1 733 500	399 000	7	11.66	Can. Converters	80	[illegible]	65	59	60	...	60	60	60	25
	2 805 500	9 500 000			Can. Cons. Rubber com	100	87¾	...	...	...	...	...	...	...	...
3 000 000			7	7.00	Can. Cons. Rubber pref	95	92	...	...	...	...	...	...	...	...
	2 715 500	4 567 105	8	10.25	Can. Cottons com	100	71	80	72		...	77	77	77	50
3 661 500			6	8.10	Can. Cottons pref	83	66	74	70	77	...	77	77	77	25
	960 000	173 200	12		Can. Forgings com	257	75	...	...	...	...	...	...	...	...
960 000			7	7.60	Can. Forgings pref	92	91	...	...	...	...	...	...	...	...
	8 000 000		8	7.30	Can. Gen. Electric com	109	93¾	110⅛	94	110½	108½	117	110	112½	3,0[illegible]
2 000 000			7	7.00	Can. Gen. Electric pref	104	90	100¼	90	100	...	100	9[illegible]	100	[illegible]
	2 000 000	1 500 000	8	9.52	Can. Locomotive com	100	80	86	82	86	84	85	85	85	10
1,500 000			7	8.23	Can. Locomotive pref	95	80	89	82½						
80,681 921	260 000 000	271 934 882	10	7.63	Can. Pacific Railway	142	125	141	129½	131	130	132	1[illegible]0	130½	192
	800 000	369 000	8	8.98	Can. Salt	147	85	89	87½	90	...	88	87	[illegible]	20
	12 000 000	7 979 619	7		Can. Steamships com	80¼	34	50⅛	27⅛	29¼	29	30	28½	29	1,441
12 500 000			7	10.37	Can. Steamships pref	85	60⅛	74	65	...	67	68	66	67	[illegible]
	1 200 000	454 500			Carriage Fact. com	49½	7½	20	12	...	...	...	...	...	...
1 200 800					Carriage Fact. pref	90⅛	72⅛	65¾	...	...	...	...	...	...	...
	565 000				City Dairy com	62	50	60	55	...	...	...	...	...	...
700 000			7	8.75	City Dairy pref	99	85	82	80	...	84	80	80	80	10
	5 360 700		10	7.14	Consumers Gas	150	125	140	124¾	...	139	140	139	139	192
	6 212 666		6	12.00	Crow's Nest Coal	59⅞	40	55	45	...	...	...	...	...	...
	15 000 000	35 757 500	8	9.30	Detroit United Rly.	113¾	79¼	96	86	87	85	86	85	86	367
	6 500 000		8	9.63	Dominion Bridge	115	69	92	76	83	...	83	81¼	81½	98
	2 796 300	1 719 410			Dom. Canners com	66¼	26	45	30¼	...	28⅛	36	35	35	1,460
2 290 600			7	8.75	Dom. Canners pref	90	79	80½	78	...	...	80	80	80	10
3 000 000	15 000 000	5 864 500	7	8.86	Dominion Coal pref	97½	70	79	63½	...	...	79	7[illegible]	79	5
	4 250 000	1 683 363	6	10.62	Dominion Glass com	69	57	64	56	60	59	59	58	58½	445
2 600 000			7	8.53	Dominion Glass pref	91	82¼	83	77½	...	84	84	84	84	10
5 000 000	25 000 000	13 434 313	7	9.45	Dominion Iron pref	92	65	76	68	...	74	75	73½	73½	63
7 000 000	37 100 000	20 450 682	6	13.33	Dominion Steel Corp.	82½	39	49	41¼	41½	41¼	45¼	41	42	2,9[illegible]
	1 000 000		6	7.14	Dom. Telegraph	91¾	80	85	81	...	...	...	...	...	...
	5 000 000	4 767 500	10	8.92	Dom. Textile com	146½	96½	112	104	...	112¾	117	111½	112¼	1,0[illegible]
1 940 600			7	7.29	Dom. Textile pref	105	89	96½	89½	...	94	95	95	95	35
1 500 000	3 500 000	3 500 000	4		Duluth Superior	28	12	15	12¾	...	14½	14¾	14½	14¾	25
	2 250 500	950 000			Goodwins com	35	26	...	...	...	...	...	...	...	...
1 750 000			7	9.33	Goodwins pref	95	75	...	...	...	...	...	...	...	...
	1 000 000	225 000			Holt Renfrew com	70	62	...	...	...	...	...	...	...	...
1,000,000			7	8.75	Holt Renfrew pref	85	80	...	...	...	...	...	...	...	...
	2 500,000	800,000	8	8.88	Howard Smith Paper com	167	74¼	110	87½	93¼	98	100	98	99	[illegible]
1,500,000			8	8.69	Howard Smith Paper pref	107½	91	92¼	90	92	...	90	90	90	7
7,289,500			6	8.69	Illinois Traction pref	70	64	71¼	65	...	70	68	68	68	2
500,000	6,267,005		25c.		International Petroleum	82	20	...	...	...	...	...	...	...	...
	2,198,018	1,902,500	8	8.88	Kaministiquia	97	83½	93	90½	90	...	90	90	90	10
	2,800,000	900,000	12	8.05	Lake of the Woods com	220	130	155	135⅛	150	148	148¼	147	148	75
1,500,000			7	7.10	Lake of the Woods pref	112	93¼	98⅛	94	...	99¼	100	100	100	10
	9,600,000	565,778	6	7.31	Laurentide Paper	125	81	95	82	83½	83⅛	83	81	82	1,8[illegible]
1,300,000	1,750,000	934,900	8	11.94	Lyall Construction	99	35	75	47½	70	67	69	67	68	[illegible]
2,388,600	3,000,000				Macdonald A. com	44¼	19	25	20	23	21⅜	24½	21	22	70
	41,380,400		6	7.89	Mackay com	79⅛	67¼	80	69	73	...	75½	73	73¼	312
50,000,000			4	6.34	Mackay pref	74	61	65	63	...	64	64½	63½	63½	95
	2,500,000		12	8.33	Maple Leaf Mill com	196	133	146	138	...	144	144	144	144	3
2,930,000			7	7.10	Maple Leaf Mill pref	104	92	98⅛	93	...	98	98⅛	98¼	98¼	5
	1,275,000				Monarch Knitting com	75	60	...	...	...	...	...	...	...	...
750,000			7	8.75	Monarch Knitting pref	90	85	80	76½	...	80	80	80	80	41
	2,949,600		6	8.33	Montreal Cottons com	87	78	75	70	80	72	72	72	72	81
2,949,600			7	7.60	Montreal Cottons pref	105	90	95	90	...	93	91	91	91	5
	64,126,100		5	6.02	Montreal L.H. & P. cons	90	76	86	81	83	82¾	83	81½	81¾	[illegible]
	2,000,000		8+¼	7.01	Montreal Telegraph	124	110	114	110	...	112	112¼	112⅛	112¼	4
	3,861,070	36,608,153	10	7.38	Montreal Tramways	155	125	140	125	...	...	...	...	...	...
	2,254,300	1,580,000	4	8.16	National Breweries com	70	39¼	56⅛	48⅛	45⅛	45⅛	49	40⅛	41⅛	16,7[illegible]
2,775,000			7	7.36	National Breweries pref	97	93	...	...	90	...	90	90	90	30
	2,000,000				Nat. Steel Car com	12	3	5⅛	4	...	...	...	...	...	...
1,500,000			7		Nat. Steel Car pref	41½	21	28	22	...	...	...	...	...	...
	15,000,000	11,102,437	5	11.62	N. S. Steel & Coal com	80	33½	14	37	...	...	...	...	...	...
1,000,000			8	10.00	N. S. Steel & Coal pref	107	75	88	80	...	...	...	...	...	...
	2,500,000	2,350,000	12	5.85	Ogilvie Milling com	280	175	214	180	...	199	205	200	205	15
2,000,000			7	6.93	Ogilvie Milling pref	105½	97	101	99	...	99	101	99	101	23
	750,000	538,200	8	12.12	Ont. Steel Products com	89	50	70	58	66	65	66	65	65	100
750,000			7	7.95	Ont. Steel Products pref	89½	89	88	...	...	...	...	...	...	...
	3,500,000	2,825,000	6	8.57	Ottawa L. H. & P.	81	70	72½	70	...	...	...	...	...	...
	650,000		2	5.71	Pacific Burt. com	42	30¼	35	34	...	34	36	36	36	10
650,000			7	8.97	Pacific Burt. pref	85	76	79	76	81	79	81	78	81	45
	2,150,600	2,000,000	8	7.76	Penmans Ltd. com	148½	93	103	95	98	93	100	100	100	60
1,075,000			6	7.40	Penmans Ltd. pref	91½	74	81¼	78	98	90	85	84	[illegible]	60
	749,500				Port Hope Sanitary c	27	25	...	...	...	...	...	...	...	...
400,000			7		Port Hope Sanitary pre	42	30⅝	...	...	...	...	...	...	...	...
	3,000,000	3,837,666	4		Porto Rico Rlys. com	50	28½	46	37	...	...	...	...	...	...
1,000,000			7	9.65	Porto Rico Rlys. pref	79	60	78	64	...	70	72	70	70	11
	8,534,200	5,372,098	8	3.22	Price Bros.	385	250	253	248						
	3,500,000	565,000	6+1	6.28	Provincial Paper com	132	80½	102	87¾	100	95⅛	95½	95¼	95½	20
1,700,000			7	7.95	Provincial Paper pref	100	85	88¼	87¾						
	9,999,500	11,045,000			Que. Railway L.H.	36¾	18	29½	22	28¼	27½	28⅜	27¼	27⅜	[illegible]
	4,500,000	5,909,400	10	7.93	Riordon Paper com	226	126⅞	160	124½	130	...	128	119	123	[illegible]
1,500,000			7	9.33	Riordon Paper pref	101½	83	80	75	...	...	...	...	...	...
	1,500,000	432,000			Rogers Wm. com	71	52	55	53	...	54	53	53	53	[illegible]
1,122,800			7+1¾	8.04	Rogers Wm. pref	102	80	87	5	94	90	94	89	94	[illegible]
	800,000		7	9.33	Russell Motor com	89	70	...	...	...	...	...	...	...	...
1,200,000			7	12.72	Russell Motor pref	98	40	65	46	...	...	...	...	...	...
	1,500,000	478,868			Sawyer-Massey com	20	13	19	13	...	...	...	...	...	...
1 500,000					Sawyer-Massey pref	67¼	35	54	45	52	51	52	52	52	10
	20,000,000	9,353,261	7	6.60	Shawinigan W & P.	119½	97½	109½	104¾	105	104⅜	106	104⅜	105	[illegible]
	4 000,000	2,226,006	6	7.05	Sherwin Williams com	119	75	88	72	...	...	...	...	...	...
3,425,000			7	7.44	Sherwin Williams pref	100	85¾	94	87	...	...	...	...	...	...
	8,750,000		8	6.25	Shredded Wheat com	142	130¼	130	125	130	128	130	129	130	10
1,250,000			6	6.12	Shredded Wheat pref	98	98	...	...	...	...	...	...	...	...
	8,000,000	10,332,113	7	9.72	Spanish River Pulp com	129	75	89¼	70½	71	70	72	69¼	70⅛	2,3[illegible]
5,699,100			7	8.33	Spanish River Pulp pref	149	82	95	83	82	81	85	81	81	2,0[illegible]
	11,500,000	8,562,225	7	11.47	Steel of Canada com	88½	54¾	64	59	60	59¼	61½	59⅛	65	1,042
6,496,300			7	7.60	Steel of Canada pref	01½	85⅛	93½	86½	...	92	93	92	92	52
	1,200,000	160,590	6+1	8.82	St. Lawrence Flour com	139	59	75½	61½	...	...	69	68	68	30
575,000			7	7.95	St. Lawrence Flour pref	98½	92	90	85	...	...	...	...	...	...
	7,894,000	1,440,000			St. Maurice Paper	170	123	120	95	...	95	96	96	96	20
	650,000				Tooke Bros. com	86	67	57	50	...	...	...	...	...	...
985,000			7	8.97	Tooke Bros. pref	91	83	78	75	...	...	...	...	...	...
	12,000,000	2,502,306			Toronto Railway	65	35	74	59½	69	68	69¼	58¾	68	548
	2,500 000		4	8.00	Tuckett Tobacco com	57½	41	52	41	...	...	...	...	...	...
2 000 000			7	8.64	Tuckett Tobacco pref	93	81	83	81	84	81	81	81	81	[illegible]
3,000,000	22,000,000	20,213,000			Twin City com	49	31½	47	43½	46	45	46	45⅛	45⅝	[illegible]
	1,750 000	891 000	4	8.33	Wabasso Cotton	135	48	50	42½	...	47¾	50	48	48	72
	5,000,000	3,302,600	6	8.28	Wayagamack	150¼	71	89	72⅛	70¼	...	72	68¼	7[illegible]	[illegible]
	2,449,588	1,371,55[illegible]	8+15	6.66	West. Can. Flour	145	105	...	...	...	116	118	118	118	15
507 900	9,324,300	9,755,000			Winnipeg Rly	38	26	48	36	44	42¾	44	43	44	41
	1,500,000	600,000	[illegible]	4.13	Windsor Hotel	100	70	145	120	...	...	...	...	...	...
	1,718,600	410,000	8	8.00	Woods Mfg. com	110	9[illegible]½	...	...	...	...	...	...	...	...
1 546,500			7	8.53	Woods Mfg. pref	86	78¾	...	...	...	...	...	...	...	...

BANKS

Capital	Reserve	Div. Rate	Yield to Mar. 1	BANKS	Range 1920		Range 1921 to Mar. 1		Close Mar. 8		Week Ending Mar. 8			Sales
					High	Low	High	Low	Ask	Bid	High	Low	Close	
15,000,000	15,000,000	12	6.34	Commerce	199½	173¼	200	179¾	189	186	189	187½	188	[illegible]
6,000,000	7,000 000	12+1	6.00	Dominion	206	190	204	191½	199	...	200	199	199	[illegible]
4,000,000	4,200,000	12+⅜	6.66	Hamilton	194	168	185	169¾	...	...	...	...	...	[illegible]
4,000,000	4,000,000	10	6.41	Hochelaga	158½	151	156	151	...	...	155	155	155	[illegible]
7 000 000	7,500 000	12	6.41	Imperial	200	184	190	185	189	186½	187	186	186	[illegible]
10,029,622	8,400,000	12	6.89	Merchants	203	158	182	168	176		175	174½	175	[illegible]
4,000,000	5,000,000	12	6.66	Molsons	194	169	180	168½		180	180	180	180	[illegible]
22,000,000	22,000,000	12	5.78	Montreal	220½	185	212	195⅛	209	205	207⅛	205	205	[illegible]
2,000,000	2,300,000	12	7.05	Nationale	174	162¾	174	165	...	...	...	...	...	[illegible]
9,700,000	18,000,000	16	6.15	Nova Scotia	273	243	265	249	261	...	261	259	261	[illegible]
20,134,010	20,134,010	12	5.97	Royal	233⅛	189½	208	193½	202	201	202	200	201	[illegible]
3,802,001	4,800,000	14	6.96	Standard	222	200	205	198	...	201	201⅛	201	201⅛	[illegible]
5,000,000	6,000,000	12	6.28	Toronto	197	179	192	182	190	...	189	189	189	[illegible]
8,000,000	6,000,000	10	6.36	Union	161	139	160¼	146	158	154	158	155	156	[illegible]

LOAN, TRUST AND INSURANCE

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920		Latest Price		Last Sale	LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920		Latest Price	
			High	Low	Ask	Bid					High	Low	Ask	Bid
anada Landed	10	10	150⅛	110	...	133½	134	Montreal Loan	12	....	165	155	...	165
anad. Perm nent	10	10	178	157	180	176	179	National Trust	11	12	230	198	195	190
nt a Canada	10	..	..	...	..	..	...	Ontario Loan	10	10+¾	160	155	170	160
nvestment pref	6	6	82	67	80	77	77	Real Estate Loan	7	7	95	92	...	...
Dominion Savings	[illegible]		72	72	...	70	72							
Great West Per	[illegible]	..	..	...			89½	Toronto General Trusts	10+1	12	211	196½	200	195
Hamilton Provident	9	9	[illegible]	145	142	140	140	Toronto Mortgage	9	9	135	129½	...	132
Huron & Erie	6+1	[illegible]+¼	113½	[illegible]0	112	...	112½	Toronto Savings	10	[illegible]	.....	...	...	..
led Bankin		8	142	141	38	..	137	Union Trust	[illegible]		...	...	...	108
ondon and Canadian			12[illegible]	[illegible]30	119	117	119½	Confederation Life	20		310	300	...	...

THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

DIVIDEND ON COMMON STOCK.

NOTICE is hereby given that dividend No. 2 of One and One-half Per Cent. (1½%), for quarter ending February 28th, 1921, upon the COMMON Stock of the Company, has been declared, payable to shareholders of record the fifteenth day of March, 1921, and that cheques will be mailed on March 31st next.

Books not closed.

By Order of the Board.

J. H. GORDON,
Secretary-Treasurer.

Montreal, February 22nd, 1921.

The Sherwin-Williams Company of Canada, Limited

DIVIDEND ON PREFERRED STOCK

NOTICE is hereby given that the Thirty-ninth quarterly dividend of One and Three-Quarters Per Cent. (1¾%), being at the rate of Seven Per Cent. (7%) per annum, for quarter ending February 28th, 1921, has been declared, payable to shareholders of record the fifteenth day of March, 1921, and that cheques will be mailed on March 31st next.

Books not closed.

By Order of the Board.

J. H. GORDON,
Secretary-Treasurer.

Montreal, February 22nd, 1921.

The Wabasso Cotton Co. Company

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly Dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of the Company, for the quarter ending March 31st, 1921, payable April 2nd, 1921, to shareholders of record at the close of business on the 15th of March, 1921.

By order of the Board,

JAS. R. RITCHIE,
Secretary-Treasurer.

The Bank of Nova Scotia

DIVIDEND NO. 205

NOTICE is hereby given that a Dividend at the rate of Four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending March 31st, and that the same will be payable on and after Friday, the first day of April next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board,

H. A. RICHARDSON,
General Manager.

Halifax, N.S., February 25th, 1921.

DIVIDEND NO. 82.

Hollinger Consolidated Gold Mines, Ltd.

No Personal Liability.

A DIVIDEND of 1% upon the paid-up capital stock of the Company has been declared payable on the 25th of March, 1921, on which date cheques will be mailed to shareholders of record at the close of business on the 10th of March, 1921.

Dated the 3rd day of March, 1921.

D. A. DUNLAP,
Treasurer.

Dominion Glass Company Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of Dominion Glass Company Limited for the quarter ending the 31st day of March, 1921, payable Friday the 1st day of April, 1921, to shareholders of record at the close of business Tuesday the 15th day of March, 1921.

By order of the Board,

MERVYN OFFER,
Comptroller and Secretary.

Montreal, 3rd March, 1921.

DOMINION GLASS COMPANY LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and one-half per cent. (1½%) has been declared on the COMMON STOCK of Dominion Glass Company Limited for the quarter ending the 31st day of March, 1921, payable Friday the 1st day of April, 1921, to shareholders of record at the close of business Tuesday the 15th day of March, 1921.

By order of the Board,

MERVYN OFFER,
Comptroller and Secretary.

Montreal, 3rd March, 1921.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY LIMITED, has been declared for the quarter ending 31st MARCH, 1921, payable APRIL 15th, to shareholders of record MARCH 31st.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

The Toronto General Trusts Corporation

DIVIDEND No. 99

NOTICE is hereby given that a dividend of Three Per Cent. (3%) has been declared upon the Paid-up Capital Stock of this Corporation for the quarter ending March 31st, 1921, being at the rate of

TWELVE PER CENT. PER ANNUM

and that the same be payable on and after Friday, the first day of April, 1921.

The Transfer Books of the Corporation will be closed from Tuesday, the 15th day of March, until Thursday, the 31st day of March, 1921, both days inclusive.

By order of the Board of Directors,

A. D. LANGMUIR,
General Manager.

Toronto, March 1st, 1921.

The Shawinigan Water & Power Company

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the Common Stock of this Company for the quarter ending March 31st, 1921, payable April 11th, 1921, to shareholders of record March 24th, 1921.

By order of the Board,

JAMES WILSON,
Secretary.

Montreal, March 8th, 1921.

The Canadian Crocker-Wheeler Co., Limited

DIVIDEND NOTICE

THE Directors of the Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending March 31st, 1921, to shareholders of record March 21st, 1921. Also a dividend of One and Three-quarters per cent. (1¾%) on the common stock of the Company for the three months ending March 31st, to shareholders of record March 21st, 1921.

The Stock Books will be closed from the 21st to the 31st of March, both days inclusive.

Cheques will be mailed to shareholders on March 31st, 1921.

By Order of the Board.

H. A. BURSON,
Secretary.

St. Catharines, Ont., March 5th, 1921.

Penmans Limited

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared this day for the quarter ending 30th April, 1921.

On the Preferred Stock, one and one-half per cent. (1½%) payable on the 2nd day of May to Shareholders of record of the 21st day of April, 1921.

On the Common Stock, two per cent. (2%) payable on the 16th day of May to Shareholders of record of the 5th day of May, 1921.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasrer.

Montreal, Que., March 7, 1921.

The Riordon Pulp & Paper Co., Ltd.

Preferred Stock Dividend No. 35.

NOTICE is hereby given that a dividend of 1¾% (being at the rate of 7% per annum) on the Preferred Stock of this Company has been declared payable March 31st, 1921, to shareholders of record at the close of business March 22nd, 1921.

By order of the Board.

F. B. WHITTET,
Secretary-Treasurer.

Montreal, March 3rd, 1921.

Riordon Company, Limited

CUMULATIVE CONVERTIBLE PREFERENCE STOCK

Dividend No. 3.

NOTICE is hereby given that a quarterly dividend of 1¾% (being at the rate of 7% per annum) has been declared on the Cumulative Convertible Preference Stock of this Company for the quarter ending March 31st, 1921, payable April 1st, 1921, to shareholders of record at the close of business March 19th, 1921.

By order of the Board.

F. B. WHITTET,
Secretary-Treasurer.

Montreal, March 3rd, 1921.

Riordon Company, Limited

FIRST CUMULATIVE PREFERENCE STOCK

Dividend No. 3.

NOTICE is hereby given that a quarterly dividend of 2% (being at the rate of 8% per annum) has been declared on the First Cumulative Preference Stock of this Company for the quarter ending March 31st, 1921, payable April 1st, 1921, to shareholders of record at the close of business March 19th, 1921.

By order of the Board.

F. B. WHITTET,
Secretary-Treasurer.

Montreal, March 3rd, 1921.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A DIVIDEND of two and one-half per cent. (2½%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st MARCH, 1921, payable APRIL 1st, to shareholders of record MARCH 15th, 1921.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Preparing for a Big Rush to the Northern Oil Fields

Continued from page 10.

of the existence of oil in the Mackenzie district for many years. Parties who went in to the Yukon by that route during the Klondike rush used to make use of oil shale for building their fires, and seepages were visible everywhere in the district; but it seems to have been to the tar sands that geologists looked as a source of potential wealth. A practical demonstration of the value of the tar deposits was made in 1915, when one of the Edmonton streets was paved with material made from the McMurray deposits. Just before the war, Germany had become interested in the proposition, apparently with a view to securing an unlimited supply of tar for the benefit of the aniline dye industry. A number of German chemists visited the deposits, and one of them took out a lease; but he died on board ship on his way home; the war followed soon after and put an end to German participation in the development.

The amount of tar sands available for reduction is estimated by the experts of the Department of Mines at billions of tons. The hindrance to their development has been the scarcity of fuel, but it is expected that this can be overcome by the utilization of natural gas, of which there is an abundant supply at the Pelican rapids, on the Mackenzie, 150 miles south of McMurray. An enormous volume of gas was burning there for over twenty years, and the Government had it capped a year or two ago. The recent advance in the price of crude oil has made the matter of reduction of the tar sands worthy of consideration. Another use which will probably be made of the tar from these sands is as a binding material for the coal briquetting industry which the Scientific Research Council is endeavoring to establish in the low-grade lignite coal fields of the West. It is doubtful if any practical method of extracting oil from the tar sands on a commercial basis has yet been found, although the laboratory experiments have created great hope that one soon will be.

The most interesting phase of the new discovery for some time to come will be, as was the case with the Klondike discovery, the enterprise, romance and danger connected with reaching the new fields. There are several alternate routes, as there were to the Yukon, each of which has its advocates and each of which will certainly have its patrons; but since the Yukon days a new factor in transportation has entered the field, and of this apparently some at least of the fortune seekers will take advantage. Aeroplane routes are being advertised and several aerial transportation companies are already in the field.

Different Routes

For the present, transportation will be principally by dog-sled, as navigation will not be open until late in June; but no matter when or by what route the journey is made, clearance paper must be secured from the Royal Canadian Mounted Police, who are keeping the gateway into the new territory to see that every person who enters is physically, mentally, morally and financially fit. It is not expected that many will attempt to make the journey, however, until navigation opens. At the best, it is, for part of the way, a rough and strenuous trip; and under winter conditions is impossible to any but the most hardy and experienced. Some of the sour-doughs and hardy old mushers of British Columbia and Dawson City are said, nevertheless, to be preparing to make the long overland trek from that region.

With Edmonton as a starting point, there are several alternate routes, each of which will no doubt be tried as soon as navigation opens. The most direct is almost due north, the Athabasca route. Of this, 290 miles is by rail, but a portion of the road is in very bad condition owing to muskegs, and presents difficulties. There is then a journey of 285 miles by steamboat to Fitzgerald. The last stage is a sixteen-mile portage to Fort Smith, the head of steamboat navigation on the Mackenzie. From this point the distance is the same by whichever preliminary route is taken, or about 850 miles to Fort Norman—a total by the Athabasca route of roughly 1,500 miles. The Peace River route is two or three hundred miles longer, but is said to be the more speedy on account of the better and longer railway journey at the beginning. There is first-class railway accommodation to Peace River, 312

with one short portage of four miles, in addition to the one of sixteen miles at Fitzgerald, common to both routes.

One of the most interesting features of the new discovery is the important part which aeroplanes will evidently play in its development. So far has this gone that many are now going in or preparing to go in by that form of conveyance so as to forestall the rush when navigation opens. Several aerial transport companies are in the field and advertising a regular service, both aeroplanes and seaplanes being employed. The monoplanes of the Imperial Oil Company recently made a flight into the new territory and safely carried a party of seven surveyors and geologists with one thousand pounds of equipment. Large aerodromes are being erected at different points.

For the river traffic many steamboats are being built, and other preparations being made to cope with the rush. Commercial companies are being organized to provide equipment. Railways are furbishing up their rolling stock. The townsite staker, who comes early on the ground with every boom in Canada, is sharpening his stakes and his wits. Unless all signs fail, next summer will see extraordinary activity in Edmonton and the north country.

BLUE SKY LAW IN B.C.

Prospectuses Must be Absolutely Honest

Something approaching a "blue sky" law is incorporated in the new Consolidated Companies Act in British Columbia. In response to signs that more effective provisions should be made to force companies to live up to the terms of their prospectuses, it is proposed that prospectuses set forth in detail facts concerning the company, full particulars of the plan of operations and other details.

GENERAL SALES & ENGINEERING CO.
G. A. McLEOD, C.A. W. H. NOONAN, C.E.
Manufacturers' Agents Engineers Builders and Construction Supplies
Commission Merchants Exporters
ROY BUILDING - HALIFAX, N.S.
A Neighborly Service for a Moderate Charge

Super-Quality!
PLAYER'S
NAVY CUT
CIGARETTES
"Beautifully cool and sweet smoking"
18¢ per package two for 35¢
Enjoy them to-day

Protecting the Nation's Vaults

Banks and other Financial Institutions, Manufacturers, etc., are assured of absolute safety and protection against robbery.

A Vault Door equipped with the Dillon Re-Locking Burglar Proof Vault Lock will defy every method of attack of the most experienced cracksman.

This device has now been installed in over 2200 Banks, and every case where it has been put to the test it has foiled the would-be robbers.

The Dillon Burglar Proof Vault Lock consists of a secret lock, which "springs" re-locking all the bolts on the door when the regular combination is tampered with. It operates only when the combination is punched in, shot off, burned out or otherwise destroyed, and is not subject to false lock-outs.

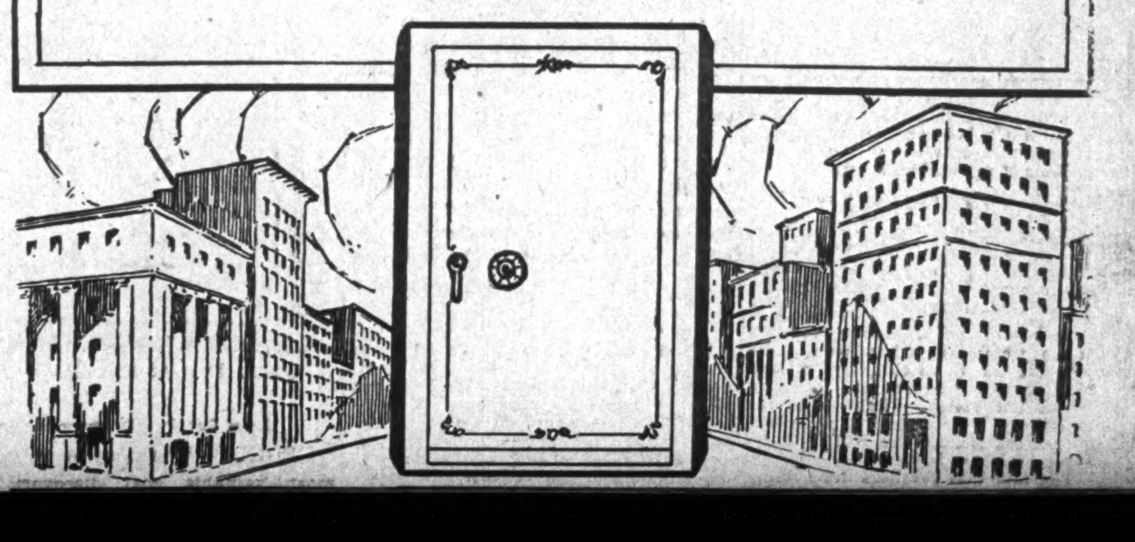
If you have a vault, for the storage of money, notes, bonds or other valuable papers it should be equipped with a

Dillon Burglar Proof VAULT LOCK

Dillon Burglar Proof equipment includes complete Electrical Protection covering daylight and night robberies, as well as burglar proof locks for vault doors.

Write, on your business letter head, for complete information or we will arrange for a private demonstration to prove its efficiency.

ARTHUR GRAVELLE & SONS, 212 PLAZA BLDG, OTTAWA, ONT.
Sole Canadian Distributors for
DILLON LOCK WORKS, FORT DODGE, IOWA.



THE RETAILER SHOULD AT ONCE MAKE REDUCTION

Hardware Merchants Believe in Replacement Cost Basis

CUSTOMER BENEFITS

London Merchant Frankly Says "Boot Is Now on the Other Foot," and Situation Must Be Faced

While there has been little evident disagreement on the part of hardware merchants, with the policy of re-marking prices on the basis of replacement values rather than maintaining prices on the basis of cost where declines have occurred, there are no doubt many cases, says Hardware and Metal, where this policy is not being followed. Information shows that a comprehensive survey of conditions in all the provinces of Canada indicates that price-reductions are not being made as far as warranted by conditions. This is a highly important matter to the hardware trade of Canada at the present time, and the policy of re-marking prices on the basis of replacement values is being followed by many of the leading hardware merchants, but there are a certain number who disagree with this policy, some even suggesting that prices be upheld for thirty days after a decline. Concerted action was taken against this policy of passing on any price advantage to the consumer by a recent gathering of merchants in Toronto who took the stand that the retail trade has suffered sufficiently. A number of prominent hardware merchants interviewed on the subject have expressed some interesting views as follows:

"In my humble opinion the question of what should be done at the present time in regard to hardware prices admits but one answer, and that is to keep pace with the falling markets by adopting the lower prices just as quickly as they appear," said Thos. A. Jones, vice-president Cowan Hardware Co., London, Ont., in discussing the matter.

"Let us look at the situation frankly and treat it in exactly the same manner as we did when the shoe was on the other foot and prices were rising far more rapidly than they are now on the down grade.

"If there were any merchants who did not follow the rising market that was their own option entirely (personally, I know of none) but they will have no option in falling in line with the new prices because if they have any opposition at all they will be forced to get in line or go out of business. What is required today is the creation of confidence in the buying public and the quicker this is accomplished the sooner things will adjust themselves and trade get back to normal.

"The buying public bought like fools when prices soared because money came easy to them, and just as readily was it spent. What was more common than for a customer to say, 'Why, that's twice what I paid last time, but I suppose everything has gone up; here's your money?' Then what more natural, now that the wheels of commerce are slowing down, than for the customer to look around before buying and to spend his or her lessened income to the best advantage, and the merchant who is not up to date in his prices will be the one to suffer.

"I have no hesitation in saying that practically as much money can be made this year and next if the dealer will devote careful attention to buying, watch his expenses, increase his store service and efficiency (and this can be done with no extra expense but with a little more hard labor of the brain) and advertise judiciously—above all, advertise, because the advertisements are being read to-day as they never were before.

"Personally, I have no fears for 1921, with its lower prices, because it will put us all on our mettle, and anyone with red blood in his veins certainly enjoys a good hard struggle for business, especially if his competitors are anything like the good fellows in the hardware game in London."

Duty is Obvious

Similar views are expressed by a Western hardware merchant. C. C. Falconer, Winnipeg, says: "To us the duty of every reputable hardware dealer is so obvious that either argument or discussion displays evidence of weakness. The article in Hardware and Metal of January 28th relating the experience of a merchant who failed to recognize his proper duty to his customer was in itself the real answer to this question.

"We heartily agree with W. A. Walker, who, in the same article says, 'The customers' confidence is required.' We think the customers' confidence is not only required but is absolutely necessary, not only at this time, but at all times, and the firm which betrays that confidence is not only unworthy but is at the same time committing business suicide.

"Most decidedly we say give your customers the immediate benefit of a new lower price as you receive it without regard to what your stock may be at that time, and by doing so retain confidence, encourage buying and a quicker return to normal business."

"It is our policy to at once re-mark goods on which there has been a decline," said A. H. Stelck, Sutherland-Stelck Hardware Co., Dauphin, Man., to Hardware and Metal. "This is in our opinion the only fair method under the present circumstances and will do much to bring back confidence in the retailers. The talk that retailers are holding up prices is, in our opinion, unjustified, and is not according to the facts. Hundreds of retailers have sold and are selling certain lines of goods that cannot be replaced at the price.

"The buying public must realize that prices have become stabilized before business will resume its normal course. Meanwhile, if the daily press would engender a little optimism it would justify its existence at the present time."

Policy of Maritime Merchant

J. S. Neill, of James S. Neill & Sons, Limited, Fredericton, N. B., states to Hardware and Metal that the policy of re-marking goods just as soon as the price is changed has been followed by that firm. "This, we think, is the only fair way," says Mr. Neill, "as when prices were on the upward move we did the same thing and took our profits on what goods we had on hand. We are, therefore, willing to sacrifice an equal amount, but are endeavoring to keep our buying and our stock down to the lowest point, and are simply buying from hand to mouth. This, we think, is the only sane policy to adopt, and if every hardware merchant in Canada would adopt it they would find that they would retain the confidence of the public far better than if they are trying to keep the price up."

SHAREHOLDERS OF PORTO RICO AGREE

Great Majority Have Transferred Stock Holdings to International Company

From Our Own Correspondent.

HALIFAX.—Shareholders in the Porto Rico Telephone Company, of which there are a considerable number in Nova Scotia, recently received a circular from that company, in which it was stated that only 10 per cent. of them had not transferred their interests and holdings into the International Telephone and Telegraph Company. They were asked to follow suit and do likewise. Probably a good many acceded to the request but when fractions of shares were to be purchased they as a rule took the cash on the fraction rather than buy the fraction in the new concern. This was especially true when the fraction was large on the side of the International. The reason was that the price was considered high.

The transfer is on the basis of one and a quarter shares in the new company for every one in the old. The International Telephone and Telegraph Company is an organization intended to extend the telephone business to much of Spanish-speaking America, whereas the Porto Rico company is confined exclusively to that island. The Porto Rico securities were considered desirable. The new company starts out with high hopes for the success of the merger.

MILLS OF MINING CORPORATION CLOSED

To Await More Favorable Market Conditions—Stocks Discount News

The announcement of the closing down of the mines and mills of the Mining Corporation of Canada for an indefinite period was the second setback received by the stock of this company in a short time. A week ago the company passed its regular dividend, and the fact that the further unfavorable news this week did not affect the stock to any appreciable extent is due to the fact that the silver stocks have pretty well discounted any news of an unfavorable character that may develop.

It is understood that the management of this company have been considering the advisability of closing down for some little time, owing to the impossibility of mining at a profit under the present conditions of the silver market. It is stated that preparations are to be proceeded with immediately to make extensive changes in the concentrating and cyanide plants, so as to increase the daily tonnage immediately following the resumption of work. It is understood that these alterations are being made in order that it will be possible to reduce the cost per ton of ore treated, and the cost per ounce of silver produced to such an extent as will enable this company to meet successfully present conditions. It is likely that as soon as market conditions warrant both mining and milling operations will be resumed on an enlarged scale.

The latest quotation of $1.00 for this security on the mining exchange compares with a similar quotation at the opening of the year. In the interval, however, the price moved up to a high of $1.25. The decline since has been rapid, and has been accelerated by the passing of the dividend.

ALBERTA FLOUR MILLS

The Alberta Flour Mills, Limited, have opened an office in the City of Winnipeg, at 710 Confederation Life Building. H. A. Ingraham is in charge. It is reported in Calgary that work on construction will be recommenced earlier than was anticipated, owing to the prevailing mildness of the weather.

WE OFFER **500,000 SHARES**

Fort Norman Oil Company Ltd.

No Personal Liability.

Incorporated Under Ontario Companies Act.

Authorized Capital $3,000.000

Divided Into 3,000,000 Shares, at $1.00 Each Par Value.

PRESIDENT

Joseph M. Aitken,
London, Eng.
Director Anglo-Trinidad Oil Co., Ltd.
Director General Petroleum Oil Co., Ltd.

DIRECTORS:

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Toronto,
Vice-Pres., Richardson, Sheppard & Thorburn, Limited.

W. H. Thorburn,
Toronto.
Director Loew's Buffalo Theatres, Inc.

J. T. Eastwood,
Toronto.
Manager Mackenzie Basin Oil Syndicate.

John G. Coleridge,
Windsor, Ont.,
President Alexander Coleridge & Simmers, Ltd.

Bankers:
Merchants Bank of Canada, Toronto.

Solicitors:
Starr, Spence, Cooper & Fraser, Toronto.

Transfer Agents:
Trusts & Guarantee Company, Ltd., Toronto.

An enterprise promoted and controlled by responsible Canadian business men for the purpose of developing selected oil properties in Canada.

The Outstanding Facts:

On August 25th, 1920, a drilling crew of the Imperial Oil Co., Limited, working at Fort Norman, in the Mackenzie River Basin, brought in a great gusher, estimated to flow between 2,000 and 3,000 barrels per day. The news of this great discovery not only astounded the civilized world, but proved beyond the shadow of a doubt that there are vast quantities of oil in the Mackenzie district.

The Properties

The properties of this Company are located within one mile of the Imperial Oil Company Limited's holdings where the big strike was made, on the same side of the river and on the same geological structure. These properties were staked in August, 1920, and are not subject to the Dominion Government's latest conditions regarding oil leases.

The Company has acquired the oil rights to 3,268 acres. They include 960 acres at Fort Norman, on the banks of the Mackenzie River, and 2,308 acres at Windy Point, on the Great Slave Lake. The policy of the Company will be to acquire additional areas wherever oil is proved, and to develop all the properties acquired.

These properties were selected after careful survey by Dr. Beede, of Austin, Texas, Bureau of Economic Geology of University of Texas, and G. L. Kidd, a well-known Canadian Geologist.

Prospects:

The Great Slave Lake holdings of the Fort Norman Oil Company Limited at Windy Point were a fortunate acquisition because they are the prospective centre of Oil development in this field. The Imperial Oil, Limited, are drilling a well at Windy Point, and it is confidently predicted that they will bring in another sensational well during the coming Summer.

The seepages of oil apparent in this Great Slave Lake Field indicate the presence of a vast reservoir of oil, which this year's operations should disclose. It is predicted that this Summer's operations will demonstrate that another tremendous field exists similar to Fort Norman. Hence a shareholder in the Fort Norman Oil Company, Limited, will enjoy the double advantage of participating in the proven rich Fort Norman field and in the Great Slave Lake area, which gives promise of being fully as productive.

The Oil discovered in the Fort Norman field is of excellent quality, similar to that found in Pennsylvania. An analysis shows a content as follows: Gasoline 23.8 per cent., illuminating oil 38.2 per cent., lubricating oil 33.7 per cent., medium lubricating oil 4.0 per cent.

Transportation:

In speaking before the Members of the Royal Canadian Institute at Toronto, a prominent Canadian oil man said, regarding the transportation of oil from the Fort Norman Oil Fields:

"Nature has been very kind to us," he declared. "When the distance of this district from the railroads and the low temperature prevailing there are remembered, the question naturally arises: How are we going to transport this Oil? It happens, however, that the Oil found there in the well struck at Fort Norman, is as high, if not higher, than anywhere else in the world, in gasoline fractions; and that this Oil will flow readily at a temperature of 70 to 75 degrees below zero."

Notice is given in the December issue of the Alberta Gazette that at the forthcoming session of the Legislature a petition will be presented by Charles E. Taylor, Joseph Carr, Ealker L. Taylor, and others, for a private bill incorporating the Imperial Pipe Line Company. The proposed Company will seek power, according to the official notice, to take and acquire lands for the purpose of building a pipe line and to lay pipes thereon for the transmission of petroleum. According to an Edmonton report, this is the first move in the direction of a pipe line construction in and from the Northern Oil fields made by interests connected with the Imperial Oil, Limited.

The Importance of the New Fields to Canada.

Canada's heavy importations of Oil have proved a matter of serious concern to the Federal Government. As a result, its policy towards the Canadian Oil industry has been to encourage its development in every legitimate way, by means of a substantial bonus on crude oil produced.

The importance of the new field to Canada can be demonstrated by a few figures, showing the output and imports of oil by this country. In 1919 Canada produced crude oil valued at $736,324, whereas its imports amounted in value to no less than $29,351,196. The necessity of buying oil from outside the country involves a serious drain financially. Could we supply our own needs and participate in supplying the unlimited demand for oil in the world's market it would bring wealth to this country never known before.

Expenditure of Funds: The proceeds from the sale of this issue will go into the treasury to be utilized in the purchase of equipment and the rapid development of the Company's properties. All field operations will be in charge of competent engineers, geologists and experienced oil drillers. In placing before the public, this opportunity to purchase shares in the Fort Norman Oil Company, Limited, we are simply inviting investors to participate in the initial development in what are believed by the leading geologists of the Dominion to be the richest oil fields on the North American Continent, if not in the world.

Price $1.00 Per Share

Applications will be filled in order received. We reserve the right to allot all or part of the number of shares applied for, as we anticipate an early over-subscription.

Further particulars or special information, gladly given upon request.

Anglo Canadian Financial Corporation, Limited

Investment Securities
TELEPHONE ADELAIDE 4038
912-914 C.P.R. BUILDING - - - - TORONTO, ONT.
Branch Office: Labelle Building, Windsor, Ont.

COAL IN SASKATCHEWAN

From Our Own Correspondent

REGINA.—What may be one of the most valuable coal discoveries in Saskatchewan has been located near Adrill on the Moose Jaw-Assiniboia railway line, by J. F. Irvin, a farmer. Irvin has been offered $250,000 for his mine.

The discovery was made last fall when Irvin was digging for water. He came on the seam of coal when 27 feet below the surface, after passing through a bed of quicksand. He kept the discovery secret until he had some of the coal tested. It is reported to be equal to any of the Western coal for domestic purposes. It is expected development operations will be commenced on an extensive scale this summer.